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YOUR COUNCIL

STAWELL WARD



Cr Wayne Rice First elected: 26 November, 2005 Term expires: October 2016



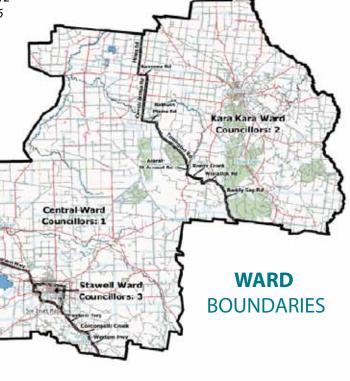
Cr Murray Emerson First elected: 27 October, 2012 Term expires: October 2016

Mayor Cr Kevin Erwin First elected: 14 March, 2003

Councillors: 1



Cr Karen Hyslop First elected: 27 Ocotber, 2012 Term expires: October 2016



CENTRAL WARD



Term expires: October 2016

SOUTH WEST WARD



Cr Jason Hosemans First elected: 15 March, 2014 Term expires: October 2016

KARA KARA WARD



Cr Tony Driscoll First elected: 27 October, 2012 Term expires: October 2016



Cr Merrilee Reid First elected: 23 November, 2013 Term expires: October 2016



OUR SHIRE AT A GLANCE

Possessing some of the world's most spectacular natural scenery and a rich golden heritage, the Northern Grampians Shire has established an exceptional reputation as an ideal place to live, work and invest.

Location

Located in the picturesque Grampians region of Victoria, the shire covers almost 6,000 square kilometres and services the major towns and villages of Stawell, St Arnaud, Great Western, Halls Gap, Navarre, Glenorchy, Marnoo and Stuart Mill.

National Parks

The Grampians National Park is one of Victoria's most iconic holiday destinations, attracting more than 1.5 million visitors each year. Renowned for its breathtaking views and unspoilt nature, the area is a noted rock climbing destination, popular among campers and bushwalkers. Declared in 1884, the 168,000 hectare park is rich in Aboriginal culture, European heritage and stunning wildflower displays. It is also home to almost a third of the state's plant species and an abundance of wildlife.

The Kara Kara National Park spans 13,900 hectares of predominantly steep terrain and allows visitors to experience what the forests were like before the gold rushes. The park has one of the largest intact areas of Box-Ironbark vegetation and encompasses the former Kara Kara State Park and much of the St Arnaud Range State Forest.

Industry

The shire's economy is based on manufacturing, mining, agriculture, tourism and wine production. The two main centres of Stawell and St Arnaud supply and service agricultural machinery and are home to industries including brick, steel fabrication and meat production.

QUICK STATS:

Area: Approximately 5,918 square kilometres

Population: Approximately 11,799

Road Length: 3,408km of local roads

Rateable Properties: 9,243

Rates and Charges Revenue: \$15.0

millior

Total Revenue (inc grants): \$31.6 million

Industry: There are more than 720 businesses operating in the shire, with major activity based in the thriving tourism, mining, manufacturing and agricultural industries

Major Attractions: Stawell Easter Gift Festival, Grampians Grape Escape, Arts Trail, Grampians Wildflower Festival, Festival of St Arnaud, St Arnaud Country Music Festival, Great Western Rodeo, Stawell Gold Cup, St Arnaud Cup, Great Western Cup, Halls Gap Cup, Run the Gap, Stawell Gift Hall of Fame and Grampians National Park



FROM THE MAYOR

Strong planning and a focus on continuous improvement form the basis of this year's budget.

Rates are only one element of Council's income and it's our job to find a balance between what the community wants with what it can afford. To this end, we have taken a serious look at how we deliver services and how we can improve efficiency. Council provides 28 different services to its communities. Some services have a bigger draw on rates than others due to subsidisations and users' capacity to pay, which often fall well short of what it costs to deliver a service. A move towards shared procurement and services is the way of the future and will see us partner with neighbouring councils to reduce costs. This initiative, together with stringent service reviews, will assist Council to continue to provide residents with the facilities and services they expect.

We are committed to improving the social and economic viability of the shire and place real importance on productivity and efficiency. Approximately \$28.7 million of the \$33 million Council Budget will be spent locally, providing significant opportunities for our businesses and contractors.

With Northern Grampians' unemployment rate at an all-time low and the housing market buoyant, this year's budget is designed to support job creation and investment. As part of our long term planning, we are investing in existing businesses to create ongoing opportunities. We are also working on transformational projects that will have enduring positive impacts on our communities. It is vital that our smaller towns continue to prosper, and projects like the Halls Gap and St Arnaud master plans and future planning for Great Western are just the start of great things to come.

I am pleased to present the following budget to our communities and encourage people to provide their feedback to Council.

Cr Kevin Erwin

Theri Elwin

Mayor









Over the past 12 months, Northern Grampians Shire Council has undertaken a significant review of what it does, how it does it and why it does it. The Council Plan 2013-2017 is in place and major steps have been taken to deliver those core services and targeted projects that provide real benefit to our communities. Our emphasis is on providing the infrastructure and services that support economic and community development.

Local government budgets are never easy to put together. Expectations and demands inevitably outstrip our ability to deliver, particularly with limited funding and revenue streams. Northern Grampians Shire Council as an organisation is very conscious of the cost of living pressures on residents and has done its very best to limit rates and charges increases in 2014-2015. However, the stark reality is that to reduce rates and fees would lead to diminished services or lower standards.

While it is important to live within your means, it is also important to invest for the future and build an environment where people are happy to live, work and visit. The 2014-2015 Budget will deliver over \$33 million in direct benefit to the residents of Northern Grampians Shire. We are very proud of the fact that between 85 to 90 per cent of this expenditure is made locally, thus reinvesting in our local economy and supporting our local communities. If 2013-2014 was a year to review and plan, 2014-2015 is very much about getting on with work and getting the job done.

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DEMOGRAPHICS/ BUDGET INFLUENCES

POPULATION

The estimated resident population of the shire is 11, 799 Source: Australian Bureau of Statistics, Annual Estimated Resident Population, as at April 2013.

AGEING POPULATION

The population is ageing and the shire has a greater proportion of older people compared to the Victorian average. The age profile is similar to small rural council averages. Analysis of the service age groups of Northern Grampians Shire in 2011 compared to regional Victoria shows that there was a lower proportion of people in the younger age groups (0 to 17 years) and a higher proportion of people in the older age groups (60+ years).

Overall, 21.4% of the population was aged between 0 and 17, and 28.4% were aged 60 years and over, compared with 23.5% and 24.2% respectively for regional Victoria.

The major differences between the age structure of Northern Grampians Shire and regional Victoria were: A larger percentage of 'Empty nesters and retirees' (14.1% compared to 11.9%)

A larger percentage of 'Seniors' (11.4% compared to 10.0%)

A larger percentage of 'Older workers & pre-retirees' (15.2% compared to 14.0%)

A smaller percentage of Young workforce' (8.6% compared to 10.5%)

From 2006 to 2011, Northern Grampians Shire's population decreased by 68 people (0.6%). This represents an average annual population change of -0.11% per year over the period. The largest changes in age structure in this area between 2006 and 2011 were in the age groups:

Empty nesters and retirees (60 to 69) (+332 persons) Parents and homebuilders (35 to 49) (-230 persons) Secondary schoolers (12 to 17) (-142 persons) Tertiary education & independence (18 to 24) (+133 persons)

CULTURAL DIVERSITY

Analysis of the ancestry responses of the population in Northern Grampians Shire in 2011 shows that the top five ancestries nominated were: English (5,184 people or 43.8%)

Australian (5,021 people or 42.4%) Scottish (1,379 people or 11.6%) Irish (1,287 people or 10.9%) German (546 people or 4.6%)

In combination these five ancestries account for 13,417 responses in total. The major differences between the ancestries of the population in Northern Grampians Shire and regional Victoria were:

A larger percentage of people with English ancestry (43.8% compared to 39.9%)

A larger percentage of people with Australian ancestry (42.4% compared to 40.9%)

HOUSEHOLDS

Analysis of the household/family types in Northern Grampians Shire in 2011 compared to regional Victoria shows that there was a lower proportion of couple families with child(ren) as well as a lower proportion of one-parent families. Overall, 23.2% of total families were couple families with child(ren), and 8.9% were one-parent families, compared with 26.9% and 10.5% respectively for regional Victoria.

There was a higher proportion of lone person households and a higher proportion of couples without children. Overall, the proportion of lone person households was 29.4% compared to 26.8% in regional Victoria while the proportion of couples without children was 30.4% compared to 27.8% in regional Victoria.

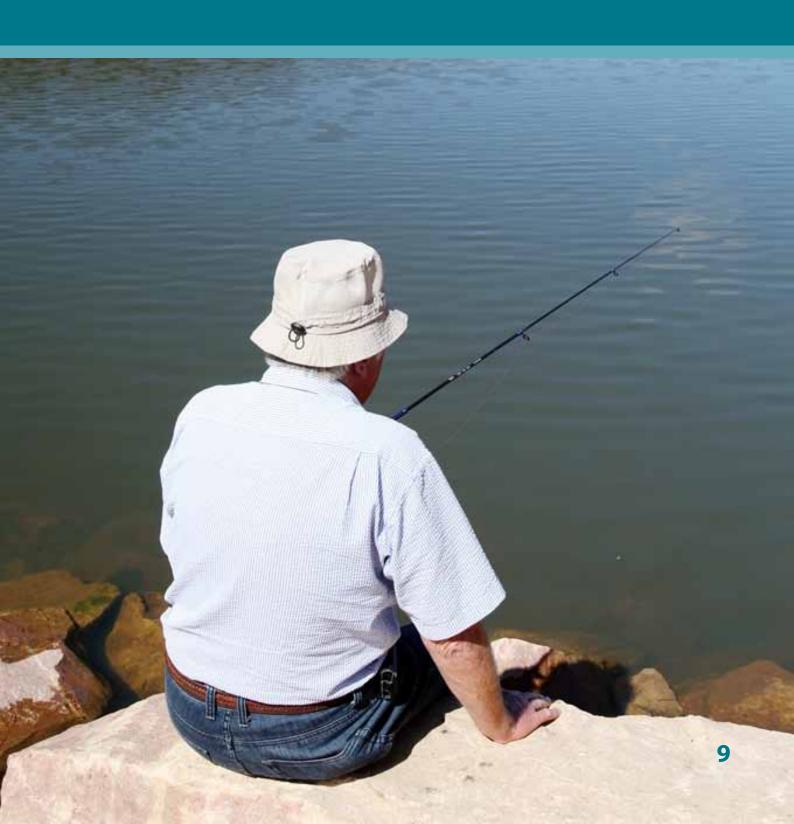
The number of households in Northern Grampians Shire increased by 84 between 2006 and 2011. The largest changes in family/household types in Northern Grampians Shire between 2006 and 2011 were:

Couples with children (-104 households) Couples without children (+79 households) Lone person (+74 households)

SNAPSHOT OF NORTHERN GRAMPIANS SHIRE

The Northern Grampians Shire is located in Central Western Victoria and has an economy based on agriculture, manufacturing, mining and tourism, with strong growth in the health and education service sectors. The shire covers an area of 5,918 square kilometres and comprises the towns of Stawell, St Arnaud, Great Western, Halls Gap, Glenorchy, Navarre, Marnoo, Stuart Mill and numerous smaller rural communities.

Stawell is home to steel fabrication works, brick, textiles and meat production, and until recently had the largest operating modern-era gold mine in Victoria. The St Arnaud area is well-known for its cropping and intensive animal industries. The Grampians National Park, together with the Kara Kara National Park, plentiful wineries and the goldfields heritage throughout the shire means that Northern Grampians is a popular tourist destination, attracting more than one million visitors each year.





OCCUPATION

The size of Northern Grampians Shire's labour force in 2011 was 5,435 persons, of which 2,006 were employed part-time and 3,045 were full time workers.

Analysis of the employment status (as a percentage of the labour force) in Northern Grampians Shire in 2011 compared to regional Victoria shows that there was a similar proportion in employment, as well as a similar proportion unemployed. Overall, 95.3% of the labour force was employed (53.0% of the population aged 15+), and 4.7% unemployed (2.6% of the population aged 15+), compared with 94.8% and 5.2% respectively for regional Victoria.

The labour force participation rate refers to the proportion of the population over 15 years of age that was employed or actively looking for work. "The labour force is a fundamental input to domestic production. Its size and composition are therefore crucial factors in economic growth. From the viewpoint of social development, earnings from paid work are a major influence on levels of economic well-being." (Australian Social Trends 1995).

Analysis of the labour force participation rate of the population in Northern Grampians Shire in 2011 shows that there was a lower proportion in the labour force (55.6%) compared with regional Victoria (58.2%).

Between 2006 and 2011, the number of people employed in Northern Grampians Shire showed an increase of 25 persons and the number unemployed showed a decrease of 22 persons. In the same period, the number of people in the labour force showed an increase of 3 persons, or 0.1%.

EDUCATION

Analysis of the qualifications of the population in Northern Grampians Shire in 2011 compared to regional Victoria shows that there was a lower proportion of people holding formal qualifications (Bachelor or higher degree; Advanced Diploma or Diploma; or Vocational qualifications), and a higher proportion of people with no formal qualifications. Overall, 34.6% of the population aged 15 and over held educational qualifications, and 54.5% had no qualifications, compared with 40.5% and 48.4% respectively for regional Victoria. The major differences between qualifications held by the population of Northern Grampians Shire and regional Victoria were:

A larger percentage of persons with no qualifications (54.5% compared to 48.4%)

A smaller percentage of persons with Bachelor or Higher degrees (8.2% compared to 12.5%)

A smaller percentage of persons with Advanced Diploma or Diplomas (6.1% compared to 7.2%)

The largest changes in the qualifications of the population in Northern Grampians Shire between 2006 and 2011 were in those with:

Vocational qualifications (+263 persons) No qualifications (-151 persons) Advanced Diploma or Diplomas (+105 persons) Bachelor or Higher degrees (+89 persons)



EXTERNAL INFLUENCES

In preparing the 2014-2015 budget, a number of external influences have been taken into consideration as they are likely to impact significantly on the services delivered by Council in the budget period. These include:

- Funding and renewal gaps for assets, infrastructure and services.
- Impact of a changing and ageing demographic and the lessening of the community's capacity to pay.
- The impact of 'disaster' fatigue from repeated natural disasters including bushfire, flood, storm events, landslide, drought and pestilence.
- Increases in fuel, commodity, consumable and utility costs above the Consumer Price Index.
- Requirement to undertake 'additional' works in exchange for government funding.
- Regulatory and legislative changes resulting in increased costs.

INTERNAL INFLUENCES

In addition to the external influences, there are a number of internal influences which impacted the preparation of the 2014-2015 Budget. These include the following:

- Council's commitment to reviewing services and to provide sufficient resources to undertake works required in the Council Plan.
- Increased salary costs in accordance with the Enterprise Bargaining Agreement (EBA). There are also several grant-funded positions.

BUDGET PRINCIPLES

In response to these influences, guidelines were prepared and distributed to all Council officers with budget responsibilities. The guidelines set out the key budget principles and are outlined in the Budget Development and Management Policy approved by Council in April 2014. The principles included:

- Sustainable budgeting
- Cash management
- Rates and charges revenue
- User fees
- Grants revenue
- Borrowing
- Asset rationalisation and renewal
- New assets

LEGISLATIVE REQUIREMENTS

Under the Local Government Act 1989 ('the Act'), Council is required to prepare and adopt an annual budget for each financial year. The budget is required to include certain information about the rates and charges that Council intends to levy, as well as a range of other information required by the Local Government (Planning and Reporting) Regulations 2014 ('the Regulations') which support the Act.

The 2014-2015 budget, which is included in this report, is for the year 1 July 2014 to 30 June 2015 and is prepared in accordance with the Act and Regulations. The budget includes financial statements being budgeted statements of Comprehensive Income, Cash Flows, Capital Works, Changes in Equity, Reserves, Human Resources and a Budgeted Balance Sheet. These statements have been prepared for the year ending 30 June 2015 in accordance with Accounting Standards and other mandatory professional reporting requirements. It also includes detailed information about the rates and charges to be levied, the capital works program to be undertaken and other financial information, which Council requires in order to make an informed decision about the adoption of the budget.



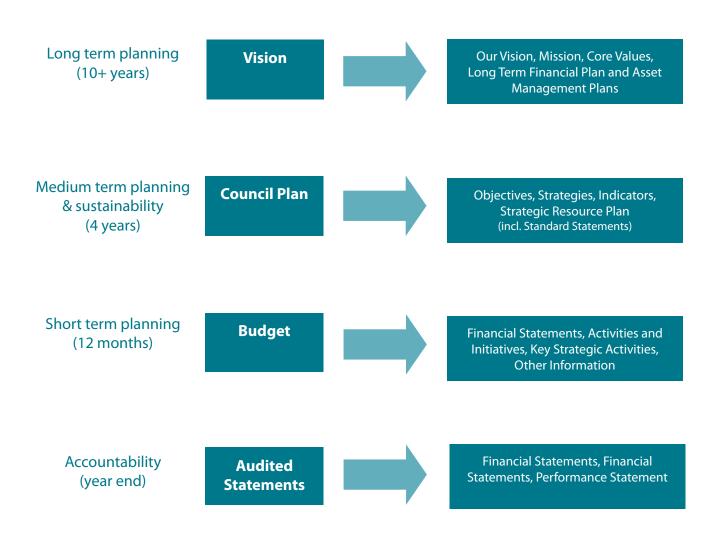


COUNCIL PLAN LINKAGES

The Council's annual budget is linked directly to the implementation of the Council Plan. This is within an overall planning framework, guiding Council in identifying community needs and aspirations over the long term (Vision), medium term (Council Plan), and short term (Annual Budget) and then holding itself accountable (Audited Statements).

STRATEGIC PLANNING FRAMEWORK

The Strategic Resource Plan, included in the Council Plan, summarises the financial and non-financial impacts of the objectives and strategies and determines the sustainability of these objectives and strategies. The annual budget is then framed within the Strategic Resource Plan, taking into account the activities and initiatives included in the annual budget which contribute to achieving the strategic objectives specified in the Council Plan. The diagram below depicts the strategic planning framework of Council.





COUNCIL PLAN OVERVIEW 2013-17

COUNCIL PLAN OBJECTIVES

In four years' time we will have....

- 1. Improved the social and economic viability of the shire; and
 - 2. Delivered targeted projects and core services



COUNCIL PLAN STRATEGIES

- **1. ECONOMIC** we will develop the local economy and increase the industrial diversity of the Northern Grampians Shire.
- **2. SOCIAL, COMMUNITY & ENVIRONMENT**—we will provide safe and usable assets and services to improve the quality of life for residents.
- **3. EMERGENCY & RISK** we will mitigate risk, plan for emergencies and community recovery.
- **4. DATA & INFORMATION** we will use technology and develop systems to improve accessibility and profitability for our community and businesses.

- **5. WASTE** we will implement a waste reduction action plan and promote better use and re-use of valuable resources.
- **6. ASSETS** we will reduce the infrastructure renewal gap and manage our roads, buildings and structures for safety and optimal use.
- **7. RED TAPE REDUCTION** we will reduce unnecessary regulation and advocate for the removal of regulatory burdens from other tiers of government.
- **8. FINANCIAL SUSTAINABILITY** we will provide leadership and advocacy to improve the financial sustainability of the Northern Grampians Shire.



BUDGET HIGHLIGHTS



IMPROVING OUR LIVEABILITY AND VIABILITY

Council will balance a \$9.7m capital works and project program with \$5.5m for infrastructure maintenance and a \$4.6m allocation for children's services, aged care, recreation, leisure and libraries. Also included is a \$1.1m investment to create a better lifestyle for residents and businesses and to secure Northern Grampians as the top place for growth and new enterprises.

INVESTING IN OUR FUTURE

Major investments include the completion of the longawaited Halls Gap Community and Tourism Hub and the implementation of a significant Land Development Strategy, looking at realistic opportunities for residential, commercial and industrial development throughout the shire.

In addition, Council will commence Stage 1 of the St Arnaud Civic Precinct Plan implementation and the Western Highway Heritage Precinct in Stawell, both subject to government funding support.

GETTING ON WITH THE JOB

Council is pleased to present a budget that invests in the future of its communities without shying away from the hard questions; what do we really need and how will it be paid for? Despite ongoing cost-shifting by state and federal governments and the challenges that come with a small population versus a large geographical area, the critical work that Council is doing today will save money in the long run. The 2014-2015 Budget is focused on delivering the 2013-2017 Council Plan. The \$33 million budget requires a rates and charges revenue increase of 5 per cent across the municipality to successfully deliver on key objectives and projects.









WHAT WE'RE SPENDING

\$9.7 MILLION ...

\$9.7m will be spent on capital works, parks, recreational areas, buildings and drainage works.

\$6.1 MILLION ...

\$6.1m on roads and bridges.

\$4.6 MILLION ...

\$4.6m for children's services, aged care, recreation, leisure services and libraries.

\$1.1 MILLION ...

\$1.1m to attract and encourage new and existing businesses and tourism.

\$1.8 MILLION ...

\$1.8m on waste management and environmental objectives.

\$1.0 MILLION ...

\$1.0m on streetscape improvements in Stawell, St Arnaud, Great Western and Marnoo.

\$1.4 MILLION ...

\$1.4m on maintenance and improvement of the shire's parks, gardens and open spaces.

\$1.0 MILLION ...

\$1.0m on major projects like St Arnaud Town Hall and Civic Precinct Stage 1 and the Western Highway Heritage Precinct (subject to funding).

\$1.0 MILLION ...

\$1.0m on major plant and equipment to keep our streets and infrastructure assets maintained.



ECONOMIC

TOURISM

The three Visitor Information Centres in the Northern Grampians Shire provide tourists with valuable information to enhance their visit to the region and encourage overnight stay. Part-time staff work in Council's Visitor Information Centres, along with trained volunteers. Northern Grampians Shire Council also has an important alliance with Grampians Tourism which is responsible for marketing and development initiatives across the Grampians region. While Council continues to promote its own tourism industry, Grampians Tourism takes the lead on a collaborative approach. Major benefits include strengthened relationships and partnerships between all stakeholders, additional media exposure, activities to increase tourism and opportunities for workshops, training and education. During 2014 -2015 Council will review the way tourism services are provided, to ensure the best value for Council and the community, and in order to maximise the economic and social outcomes.

Initiatives for 2014/15

- Halls Gap Masterplan development.
- Great Western Future Plan implementation.
- St Arnaud Civic Precinct Plan implementation.
- Halls Gap Community and Tourism Hub
 completion of stage 2 project.
- Participate in the Grampians Tourism Regional Digital Project.

Service Cost	\$ 403,474
Income	
User fees & charges	\$ 40,600
Untied grants	\$ 108,589
Rate subsidy	\$ 254,285

ECONOMIC GROWTH

Council prides itself on a strong relationship with its business community. As part of its ongoing support, it provides strategic planning and response to environmental, market and economic changes. Council also works closely with business groups in Stawell, St Arnaud and Halls Gap to deliver a wide range of economic development initiatives that support existing businesses and attract new investment and residents. Other tasks include:

- Raising the profile of the Northern Grampians
 Shire by marketing the municipality as a desirable place to live, work and invest.
- Fostering investment attraction.
- Attracting and supporting new residents
- Providing support and assistance to business and tourism associations.
- Working with major employers to improve business sustainability and secure jobs.
- Research and implement targeted initiatives to drive sustainability and growth in key industry sectors.
- Working in partnership with planning and building to reduce red tape and encourage development.
- Work with Wimmera Development Association and other groups to deliver regional projects to benefit the business community.

Initiatives for 2014/15

- Regional Victoria Living Expo.
- Business Assistance Scheme.
- Rural Councils Victoria Summit in Halls Gap.

Service Cost	\$ 189,300
Income	
Grants	\$ 70,000
Untied grants	\$ 35,700
Rate subsidy	\$ 83,600

STRATEGIC PROJECTS

Council seeks to foster economic growth through the delivery of a number of strategic projects which aim to attract both public and private investment and generate jobs.

Council has established a small competent team to provide high level management of specific, but broad ranging projects. Initially this team was tasked with delivering the \$30 million flood recovery project, and following on from the success of this work, Council has initiated projects around land development and job creation. These projects have potential for major investment, but require high level leadership and project management skills.

Initiatives for 2014/15

- Stawell West Industrial Precinct Plan Development.
- Stawell Gold Mines Future Possibilities Feasibility Project.
- Stawell Residential Land Project.
- Stawell West Industrial Precinct Plan and development.
- Stawell Gold Mines Future Possibilities Feasibility Project.
- Stawell Residential Land Development Project.

Service Cost	\$ 152,784
Income	
Untied grants	\$ 45,720
Rate subsidy	\$ 107,064

EVENTS

Council is committed to supporting existing events and promoting the development of new events within the shire. Support and assistance is provided to community groups, and Council provides funding for events consistent with Council's grant policy. Annually there are a variety of events held in the shire, and 60-80 of these are registered through, and supported by Council. Many event organisers have successfully applied for funding through Council's Events Assistance Program. Public events provide a wide range of social, economic and cultural benefits to local communities. Many events held in the shire are a major drawcard, attract thousands of visitors to the region, and generate jobs in our local community. Major events supported by Council include the Stawell Athletic Club Easter Gift, the Grampians Jazz Festival, the Great Western Rodeo, the Grampians Grape Escape, the Festival of St Arnaud and the Stawell Racing Club Gold Cup, Grampians Brushes and Grampians Texture.

Service Cost	\$ 82,262
Income	
User fees & charges	\$ 15,975
Grants	\$ 10,250
Untied grants	\$ 16,769
Rate subsidy	\$ 39,268

STRATEGIC INDICATOR:

The Socio-Economic Index
For Areas (SEIFA) for Northern
Grampians shows positive
improvement that matches or
exceeds the overall result in
the Wimmera Southern Mallee
region (Source: ABS SEIFA
index produced after every
Census)



SOCIAL, COMMUNITY & ENVIRONMENT

PARKS AND GARDENS

Council is committed to providing quality parks, garden areas and recreational ovals for Northern Grampians Shire residents and visitors. The program aims to deliver an accessible and connected network of public open spaces, and maximising community benefit is a major guiding principle. The program will ensure effective and sustainable management practices and infrastructure that is matched to community needs.

Within the municipality there are several types of open space that are used by residents and visitors for both active and passive recreational activities. These include:

- 6 recreation ovals
- 24 neighbourhood parks
- 22 traffic islands and roundabouts
- 15 landscaped areas
- 10 community facilities
- 17 playgrounds
- 10 stormwater harvesting systems
- 14 major town slashing areas
- Maintaining six rural towns
- Street trees throughout the shire

Initiatives for 2014/15

- Greening of the St Arnaud streetscape.
- Expanding street tree planting program in Stawell and St Arnaud.
- Providing additional support to Navarre and Great Western to assist in the maintenance of their reserves.

Service Cost	\$ 1,432,300
Income	
Untied grants	\$ 428,613
Rate subsidy	\$ 1,003,687

PLANNING AND BUILDING SERVICES

Council has a responsibility to plan for the use, development and protection of land within the shire according to the present and long-term interests of the community. The Northern Grampians Shire Planning Scheme is a legal document that sets out the way land may be used or developed. It also regulates the permits granted under the planning scheme, settles disputes, enforces compliance with the planning laws, and deals with other related administrative procedures.

Council's building team ensures the safety, liveability and sustainability of the shire's buildings by providing vision, advice and leadership to the local building industry. The team oversees building legislation, regulates building practices, advises applicants and provides services to consumers. The building control services provided by Council assist in protecting the community from major risks to life and property and contribute to the sustainability of the shire's built environment.

Initiatives for 2014/15

- Assessment of significant development applications including the Bulgana Wind Farm project.
- Public information sessions on development approval process.
- Focus on strategic planning, future growth and development.
- Encouraging professionals to establish a service hub in Stawell to provide planning, building and other professional services.
- Provide a mobile service unit into small communities to assist businesses and individuals with permits and regulation.

PLANNING SERVICES

Service Cost	\$ 608,623
Income	
User fees & charges	\$ 56,155
Grants	\$ 8,200
Untied grants	\$ 162,871
Rate subsidy	\$ 381,397

BUILDING SERVICES

Service Cost	\$ 419,158
Income	
User fees & charges	\$ 138,997
Other revenue	\$ 10,250
Untied grants	\$ 80,770
Rate subsidy	\$ 189,141



CHILDREN'S EDUCATION

Council's Early Childhood Preschool (kindergarten) program is licensed by the Department of Education and Early Childhood Development. It provides early childhood learning services to children in St Arnaud and neighbouring towns. The St Arnaud Kindergarten's four-year-old program provides approximately 15 hours of preschool per child, which are delivered over four days during school terms. Enrolments in the program typically comprise 35-40 children per annum. The three-year-old program provides approximately 2.5 hours of social learning to each child. The program operates one day a week during the second, third and fourth terms. Enrolments in three-year-old kindergarten typically comprise around 20 children.

Initiatives 2014/15

- Delivery of the expanded kindergarten program in St Arnaud.
- Investigate new arrangements for the delivery of kindergarten services at Taylors Gully Children's Centre.

Service Cost	\$ 145,507
Income	
User fees & charges	\$ 13,440
Grants	\$ 137,780

CHILDREN'S SERVICES

Council currently operates quality childcare services which provide flexible options for families throughout the shire. Taylors Gully Children's Centre in Stawell and the St Arnaud Children's Precinct provide both Long Day Care and Occasional Care. Taylors Gully and St Arnaud Children's Precinct provide up to 75 long daycare places for children.

Council's childcare facilities also host visiting specialists, conduct information sessions and provide other services at the centres to support families in our communities.

Initiatives 2014/15

- Movement towards improved cost recovery in children's services.
- Facility improvements at Taylors Gully to increase functionality.

Service Cost	\$ 1,736,993
Income	
User fees & charges	\$ 600,700
Contributions	\$ 578,300
Grants	\$ 62,000
Untied grants	\$ 148,425
Rate subsidy	\$ 347,568

SUSTAINABLE LIVING

Council adopted its Sustainable Living Strategy in 2011. The strategy identifies actions to improve the financial, social and environmental sustainability of the municipality. Council works in partnership with other agencies, community groups and organisations to implement actions in the strategy.

- Low income energy efficiency program.
- Lighting the Regions streetlight replacement project.
- Energy efficiency improvements in public buildings.

Service Cost	\$ 130,769
Income	
Grants	\$ 50,000
Untied grants	\$ 24,170
Rate subsidy	\$ 56,599

ENVIRONMENTAL HEALTH

Environmental Health provides for community health and wellbeing.

The environmental health team is responsible for the registration and inspection of 177 registered food premises, 36 registered accommodation businesses, 24 registered hairdresser/beauty/skin penetration premises and nine caravan parks within the municipality. In addition, Council works with other agencies to develop strategic plans for heat stress, infectious disease and public health issues.

Initiatives 2014/15

Provide shared environmental health to adjoining shires.

Service Cost	\$ 312,831
Income	
User fees & charges	\$ 77,312
Contributions	\$ 140,000
Grants	\$ 15,990
Untied grants	\$ 23,799
Rate subsidy	\$ 55,730

LOCAL LAWS

Under the Local Government Act 1989, Council is empowered to provide peace, order and governance for the municipality. Local laws provide an opportunity for Council to create laws that take into account how the community wishes to live. Council develops local laws to help manage public activities and create a safer environment for residents.

Areas of activity include:

- Domestic animal management.
- Public trading places.
- Control over waste and burning.
- Management of the use of public places.
- Promoting a safe environment to discourage activities including unsafe parking, wandering stock and graffiti.

Initiatives 2014/15

Investigating opportunities to transfer school crossing supervision to schools.

Service Cost	\$ 324,503
Income	
User fees & charges	\$ 122,760
Grants	\$ 25,608
Untied grants	\$ 52,708
Rate subsidy	\$ 123,427

CEMETERIES

Northern Grampians Shire Council is the trust for the St Arnaud and Stawell (Pleasant Creek) cemeteries. Council maintains the cemetery grounds and infrastructure at the sites, sets the fees and charges to be gazetted as required by the Department of Health and pre-digs the graves. Customer service staff in St Arnaud are responsible for maintaining records of burials at the St Arnaud cemetery.

Initiatives 2014/5

Investigate community trust to provide better management of cemeteries.

Service Cost	\$ 100,600
Income	
User fees & charges	\$ 92,250
Untied grants	\$ 2,499
Rate subsidy	\$ 5,851

AGED AND DISABLED

Council's Home and Community Care (HACC) services support members of the community who are frail, aged or have a disability. Programs like the shire's senior citizen clubs and community access advisory group enhance independence in the home and the community, while annual events including seniors' expos, fall prevention seminars and concerts help to promote health and wellbeing. Council delivers HACC services through a service agreement with the Department of Health, or under contract through other funded agencies. On an annual basis, Council provides approximately:

- 1,200 hours of assessments.
- 19,500 Meals on Wheels.
- 10,000 hours of domestic assistance.
- 3,000 hours of personal care.
- 300 hours of property maintenance.
- 500 hours of respite.

The level of services provided is heavily dependent on government funding, and Council will continue to advocate for funding levels to keep pace with the costs of service provision.

Initiatives 2014/15

Improved access to high use public buildings and spaces, including the St Arnaud Civic Precinct and Stawell CBD.

Service Cost	\$ 1,381,656
Income	
User fees & charges	\$ 561,524
Grants	\$ 669,871
Untied grants	\$ 44,965
Rate subsidy	\$ 105,296



MATERNAL AND CHILD HEALTH

Maternal and Child Health provides support for parents and monitors the welfare and development of infants. As part of the program, Council provides:

- Outreach services for children.
- First home visits to all mothers and babies on discharge from hospital.
- First parent group classes.
- Opportunistic immunisations.
- Referrals to other agencies as required.
- Informative and educational classes for clients.

Staff also liaise with various organisations including hospitals, childcare centres and community groups to achieve the best possible outcomes for parents and their children.

Initiatives 2014/15

 Alterations to the method of delivery at St Arnaud to improve service efficiency.

Service Cost	\$ 209,526
Income	
Grants	\$ 159,504
Untied grants	\$ 14,969
Rate subsidy	\$ 35,053

COMMUNITY DEVELOPMENT

Council works with youth, arts and community organisations to strengthen social connectedness and the capacity of these organisations. As part of its Community Development program, Council is involved in:

- Identifying grant opportunities.
- Educating volunteer groups.
- Supporting community events through grants and ideas.
- Assisting with project management.
- Attending community meetings and forums.
- Overseeing internal and external grants from project identification to delivery and acquittal.
- Administering and providing funding through Community, Arts and Youth Grants.

- Implement Youth Strategy actions.
- Develop an interactive community hub within the St Arnaud Town Hall Precinct for use by community groups and for access to community information and services.
- Investigate opportunities for use of the new Halls Gap Community and Tourism Hub.

Service Cost	\$ 404,459
Income	
User fees & charges	\$ 19,442
Grants	\$ 118,600
Untied grants	\$ 79,725
Rate subsidy	\$ 186,692

LIBRARIES

The shire's library services are provided as part of the Wimmera Regional Library Corporation (WRLC). Council contributes to the running costs of the library and is responsible for building construction and maintenance. Council's contribution to the WRLC is determined by the extent of service provided in each of the contributing shires. The Northern Grampians is home to two libraries, one in Stawell, and another in St Arnaud. In addition, a fortnightly mobile library service in provided to the Marnoo community and a 24-hour-a-day, seven-day-a week online branch offers digital services, including audio books. There are about 4,600 library members in the shire who borrow about 65,000 books, CDs and audio books each year.

Initiatives 2014/15

 Participate in the Wimmera Regional Library Corporation digital strategy.

Service Cost	\$ 419,660
Income	
Untied grants	\$ 125,582
Rate subsidy	\$ 294,078

LEISURE AND RECREATION SERVICES

The St Arnaud Swimming Pool and the Stawell Leisure Complex are utilised by residents throughout the shire. The centres' wet programs include casual swims, water aerobics, swimming lessons, swimming club and junior lifeguard. The Stawell Leisure Complex also offers spa facilities and water slides, while diving boards are an attraction in St Arnaud. Dry programs in Stawell include squash, basketball, soccer, cricket and racquetball. The Leisure Complex receives approximately 50,000 visitors per year. Both facilities are operated under the Lifesaving Victoria guidelines, and significant improvements to the facilities and the operating plant have occurred over recent years.

The management of Council's numerous recreation reserves, in conjunction with sporting clubs, enables a broad range of participation in sport and passive recreation activities which contribute to the health and wellbeing of our residents.

- Improved amenities and surrounds at the St Arnaud Swimming Pool.
- Commence development of improved facilities at the Lord Nelson Park precinct to better cater for recreation and community needs (subject to funding).
- Improvement to the cricket nets at North Park.
- New boat ramp and management arrangements at Walkers Lake, subject to State agreement.
- New safety nets for football at Central Park.
- Continued involvement of Council's community recreation committees in the planning and management of reserves.

Service Cost	\$ 720,973
Income	
User fees & charges	\$ 342,300
Untied grants	\$ 113,317
Rate subsidy	\$ 265,356











EMERGENCY & RISK

EMERGENCY PLANNING AND SAFETY

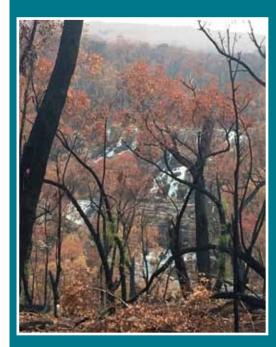
Emergency events will be inevitable and Council needs to build resilient communities. Under the Municipal Emergency Management Act, Council has statutory requirements to prepare and maintain a Municipal Emergency Management Plan (MEMP). The MEMP contains sub-plans that relate to specific emergency events, including fire, flood, pandemic and heatwaves. Under the Country Fire Act, Council is also required to appoint a Municipal Fire Prevention Officer and prepare and implement a Municipal Fire Management Plan.

Initiatives 2014/15

Investigating CCTV for improving community safety in St Arnaud.

Service Cost	\$ 302,486
Income	
User fees & charges	\$ 7,203
Grants	\$ 143,010
Untied grants	\$ 45,567
Rate subsidy	\$ 106,706





Strategic indicator:

Information and Communication
Technology take-up and use in the
shire improves on the 2010 baseline
established as part of the Wimmera
Southern Mallee ICT Study (Source:
Wimmera Southern Mallee ICT
Survey, Centre for eCommerce and
Communications www.cecc.com.
au/ch_ict_study)



DATA & INFORMATION

INFORMATION SERVICES

Council is committed to providing appropriate technologies for staff to increase efficiency and improve service delivery to the community. An updated Information Communication and Technology Strategy was developed during 2012-13 identifying a number of recommendations for improvement which will be progressively implemented over the next few years.

- Implementation of a new customer management system to provide improved access to information for customers.
- \$20,000 for the installation of public wi-fi in St Arnaud.
- Advocacy for better mobile phone services for communities affected by mobile black spots.
- Undertake survey of customers to assess satisfaction with council services.



WASTE

WASTE MANAGEMENT

Council's waste management service provides for kerbside collection and disposal of household garbage, household recyclables and some commercial requirements in the municipality.

Included in the service is the collection and disposal of waste from litterbins located in streets within the shire's commercial precincts and various reserves throughout the municipality. The State Government has developed targets for the reduction of waste to landfill, and standards for the management and disposal of waste. The nine key waste services delivered by Council need to comply with these targets.

Council has developed a strategic Waste Management Plan to improve health and environmental outcomes and equitable charging and access, reduce waste to landfill and improve efficiencies in the delivery of service. Through the waste program, Council works in partnership with adjoining municipalities to support community education and initiatives for waste management.

- Prepare rehabilitation plans for disused landfills and improved transfer station operation plans.
- Investigate feasibility of Wonga Pit as a future
- Commence the reduction of the subsidy from rates for transfer station fees to 50 per cent by 2016/17

Service Cost	\$ 1,810,963
Income	
User fees & charges	\$ 111,300
Contributions	\$ 40,000
Other revenue	\$ 35,500
Untied grants	\$ 486,028
Rate subsidy	\$ 1,138,135



RED TAPE REDUCTION

REGULATION

Throughout the course of the year Councillors and Council Officers will continue to liaise with both Federal and State Government bodies to investigate opportunities to reduce bureaucratic 'road blocks' in Council administration and service delivery functions.

Initiatives 2014/15

 Advocacy for use of 'limited' building surveyors to serve as Municipal Building Surveyors.







ASSETS

INFRASTRUCTURE AND ASSET MANAGEMENT

Council maintains roads, bridges, buildings, footpaths, kerb and channel and recreational facilities. These assets are critical to providing various services to the community. Council is committed to managing its buildings and assets and currently maintains 170 buildings across the shire. The infrastructure team is responsible for infrastructure management, traffic management, project management and engineering design. The department also covers development approvals including engineering plan approvals and subdivision construction supervision, Road Management Act compliance including asset inspections, liaison with VicRoads and other authorities, and a wide range of customer enquiries relating to the management of Council infrastructure. This service provides strategic advice, policy development, planning and direction for the implementation of Council's ongoing total life cycle asset management program including heavy plant management.

Initiatives 2014/15

 Implement new asset management software to better manage the large number of Council assets.

AERODROMES AND OTHER WORKS

Council currently manages both the Stawell and St Arnaud aerodromes and other minor facilities to provide better service to the community. The aerodromes are used by several emergency services to provide effective responses to emergencies including fires.

Initiatives 2014/15

- Major periodic maintenance to the runway surface at the St Arnaud Aerodrome.
- Investigate economic opportunities to capitalise on recent major upgrades to the Stawell Aerodrome.
- There are 17 standpipes and 15 bores. These services are provided free of charge to farming

communities for fire prevention and stock water supplies. Some of the standpipes provide water for household use.

Service Cost	\$ 210,245
Income	
User fees & charges	\$ 5,056
Untied grants	\$ 61,402
Rate subsidy	\$ 143,787

FACILITIES AND PUBLIC AMENITIES

Facilities across the shire are available for use by community groups under a booking system. Functions held in Council buildings include debutante balls, school concerts and performing arts concerts. Council provides access to public toilets in spaces such as the shire's central business districts, parks, gardens, major attractions and reserves. It also maintains building assets and coordinates the ongoing repair and maintenance associated with running the public amenities. It is Council's responsibility to provide adequate street lighting in urban areas, including Stawell, St Arnaud, Great Western, Halls Gap, Stuart Mill, Marnoo, Glenorchy and Navarre.

Initiatives 2014/15

- Complete a review of facilities and public amenities to identify service gaps.
- Stawell Entertainment Centre renewal works.

COUNCIL FACILITIES

Service Cost	\$ 290,309
Income	
Untied grants	\$ 86,874
Rate subsidy	\$ 203,435

PUBLIC AMENITIES

Service Cost	\$ 277,249
Income	
Untied grants	\$ 82,966
Rate subsidy	\$ 194,283

ROADS AND BRIDGES

This service provides for maintenance on Council's infrastructure, incorporating roads, bridges, drainage, footpaths, kerb and channel, street furniture, line marking and signage. This service also includes the program of road inspections as part of the Road Management Act and Council's Road Management Plan for Council managed local roads.

Throughout the municipality, Council manages 3,480 kilometres of road network, 600 bridges and major culverts, 102 kilometres of footpaths, 145 kilometres of kerb and channel, 17,000 square metres of car park and a vast drainage network.

- Marnoo Main Street kerb and channel replacement as part of the first stage of the Marnoo township revitalisation.
- Sealing of unsealed roads including Robson Road and Hemley Court.

Service Cost	\$ 2,345,904
Income	
Untied grants	\$ 1,436,560
Rate subsidy	\$ 909,344





FINANCIAL SUSTAINABILITY

FINANCIAL SERVICES

Council will continue to meet its reporting and accountability requirements, with plans underway to work towards long term sustainability.

An annual internal audit plan will be developed through the Audit Committee to provide assurance regarding Council's performance, risk management, financial and governance responsibilities.

Opportunities for regional collaboration will be sought to gain efficiencies in costs and service provision.

Strategic indicator:

Council improves financial sustainability ranking compared to small rural councils in Victoria (Source: Victorian Auditor General – Local Government Audit results produced annually and tabled in State Parliament)





CORE SERVICES

There are a number of core services that form the backbone of Northern Grampians Shire Council as a local government organisation. These include the provision of governance support for Councillors, management and all internal support services required to enable all other functions of the Council to be delivered to the community. In the 2014-2015 budget all other services provided to residents and visitors only contain costs that directly relate to the operation of that area or service and do not include administrative, compliance and governance overheads.

MANAGEMENT AND COORDINATION

The organisational structure for Northern Grampians is based on a three directorate model. Within that model each directorate is led and managed by a director and supported by department managers. There are also team leaders and supervisors in those areas with larger staff numbers such as child care, recreation, parks and gardens, roads, home and community care and leisure and recreation. The three directors work in Infrastructure and Environment, Economic Growth and Community, and Corporate Services. There are seven department managers covering the areas of Infrastructure, Environmental and Regulatory Services, Economic Growth, Community Growth and Major Projects, Governance, Finance and Information Services and Human Resources. These management positions are responsible for direct service provision and the management of close to 260 individuals, or 181 full time equivalent employees who deliver services to our community. This year there has been a reduction of two management positions in the organisational structure with the Emergency Recovery management role reverting to become part of the Community and Major Projects department and the Manager Planning and Building role being incorporated into regulatory services.

Initiatives in 2014/15 include:

- Focus on red tape and regulatory reduction in the performance management of staff
- Development of service reviews and implementation of agreed service changes in the areas of planning and building, environmental health and regulatory services.

Service Cost	\$ 3,286,287
Income	1000
User fees & charges	\$ 75,912
Grants	\$ 29,930
Untied grants	\$ 951,742
Rate subsidy	\$ 2,228,703



CEO & COUNCILLORS SERVICES

A high level of administrative and civic support is provided to the Mayor, Councillors, Chief Executive Officer and Directors. Services include diary coordination and travel arrangements, provision of support documents, briefing and agenda papers, research, protocols and presentations, civic events and ceremonies, administrative support for various committees and coordination of Councillor communications and professional development. Over 12 Council meetings and over 20 briefing sessions are conducted and supported each year.

Initiatives in 2014/15 include:

- Development of an advocacy program for the Mayor and all Councillors to ensure that the needs and aspirations of the Northern Grampians Shire community are known to both State and Federal tiers of government.
- Implementation of a civic engagement and consultation program with organisations an businesses in the shire to encourage greater participation by the community in Council decision making processes.

Service Cost	\$ 845,150
Income	
Untied grants	\$ 252,909
Rate subsidy	\$ 592,241

CUSTOMER SERVICES

A principal point of contact between Council and the community is provided through customer service centres in both Stawell and St Arnaud. Open between 8.15am and 4.45pm, five days a week, services include telephone, over the counter and online enquiries, receipting and VicRoads services.

Initiatives in 2014/15 include:

- Reorganisation of customer service workflow and reception areas in both Stawell and St Arnaud to provide greater accessibility and safety for community members and staff.
- Introduction of customer feedback forms and online surveys to encourage greater customer engagement and interaction with Council.

Service Cost	\$ 569,235
Income	
Other revenue	\$ 28,070
Untied grants	\$ 161,943
Rate subsidy	\$ 379,222

INTERNAL SERVICES

Corporate services provides effective information and communication services that support efficient operations across the organisation, and are responsible for ensuring accountability for legislative and regulatory compliance.

Services include:

- Financial services, including rates, charges, account management, revenue management and borrowings.
- Information and communication technology including maintenance to Council websites, Facebook and social media, network and systems for different service areas such as Leisure, HACC, Tourism, Maternal and Child Health, Children's Services, Planning, Engineering and Geospatial systems.
- Human resources management, including organisational development, training, occupational health and safety, recruitment, performance management, payroll.
- Records management, including Freedom of Information requests, correspondence management and privacy.

Initiatives in 2014/15 include:

- Implementation of the new integrated information and communications strategy across the organisation.
- Implementation of training, support and succession planning for staff to move the organisation towards a more constructive, achievement-focussed organisation.

Service Cost	\$ 2,611,364
Income	
User fees & charges	\$ 1,000
Contributions	\$ 5,000
Other revenue	\$ 170,340
Untied grants	\$ 728,676
Rate subsidy	\$ 1,706,348

INSURANCES

Council has responsibility for managing risk across the shire. Risks covered in this area include professional indemnities, public liability, Workcover and professional delegations. A Risk Committee meets regularly to monitor and plan for risk management and mitigation.

Initiatives in 2014/2015

- Implementation of Business Continuity plans for the organisation.
- Investigation into more cost effective Workcover insurances

Service Cost	\$ 385,810
Income	
Other revenue	\$ 4,345
Untied grants	\$ 114,153
Rate subsidy	\$ 267,312

FLEET

The many services provided by council require vehicles. In total there are 44 vehicles which are used to deliver services such as maintenance of our parks and gardens, providing aged and disability services, maternal and child health, immunisations, local law enforcement, road maintenance, building maintenance, emergency management and recovery and business development.

Initiatives in 2014/2015

- Review of usage levels and need for vehicles at different locations with a view to decreasing size of fleet.
- Investigation into the energy efficiency of vehicles.

Service Cost	\$ 275,640
Income	
Untied grants	\$ 82,485
Rate subsidy	\$ 193,155

NORTHERN GRAMPIANS SHIRE COUNCIL

BUDGET DETAILS &

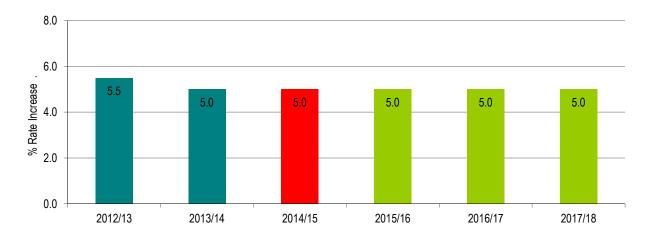


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Budget Summary

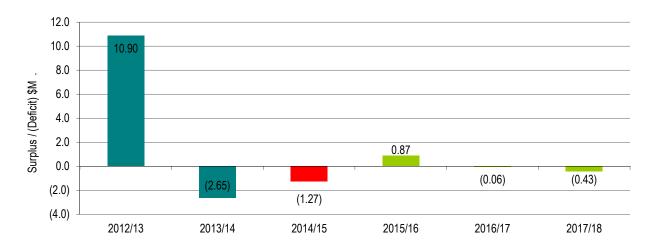
Council has prepared a budget for the 2014/15 financial year which seeks to balance the demand for services and infrastructure with the community's capacity to pay. Key budget information is provided below about the rate increase, operating result, service levels, cash and investments, capital works, financial position, financial sustainability and strategic objectives of the Council.

1. Rates



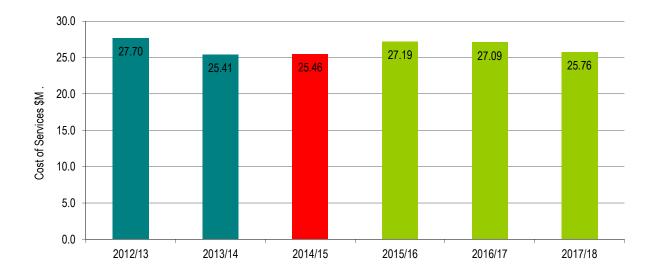
It is proposed that general rates increase by 5.0% for the 2014/15 year, raising total rates of \$12.7 million. (The rate increase for the 2013/14 year was 5.0%).

2. Operating Result



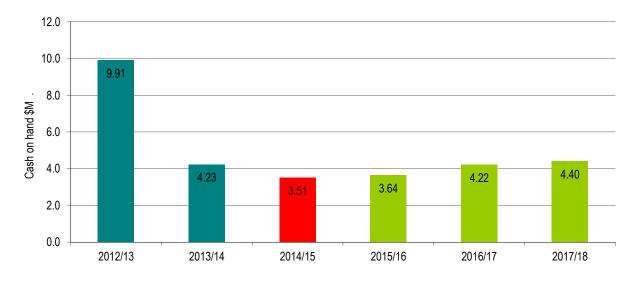
The expected operating result for the 2014/15 year is a deficit of \$1.3 million, which is an improvement of \$1.4 million over 2013/14. The improved operating result compared to 2013/14 is mainly due to the timing of grants commission payments. (The forecast operating result for the 2013/14 year is a deficit of \$2.7 million). The future years plan shows that Council continues to struggle to be sustainable, with operating results indicating that Council is unable to renew its assets at the required rate with the current level of funding. The projected results exist despite service level reviews and service rationalisation undertaken to date and this work will continue with the aim of achieving sustainability in the future.

3. Services



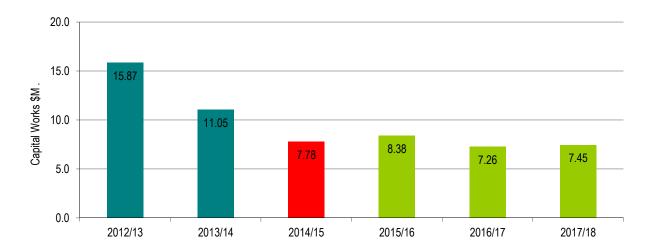
The cost of services delivered to the community for the 2014/15 year is expected to be \$25.5 million which is an increase of \$0.1 million over 2013/14. Service levels will continue to be reviewed during 2014/15 and future years. (The forecast cost for the 2013/14 year is \$25.4 million). It should be noted that 2012/13 included \$3.7 million of flood recovery services.

4. Cash and Investments



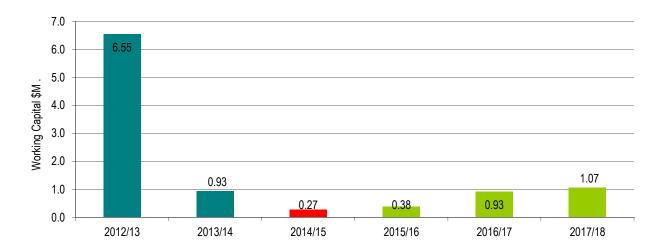
Cash and investments are expected to decrease by \$0.7 million during the year to \$3.5 million as at 30 June, 2015. This reduction is the result of part funding of the capital works program in 2014/15 from cash on hand. (Cash and investments are forecast to be \$4.2 million as at 30 June, 2014).

5. Capital Works



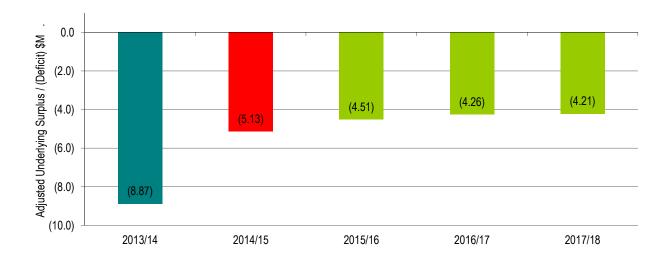
The capital works program for the 2014/15 year is expected to be \$7.8 million. The decrease over previous years is due to the impact of flood restoration works undertaken in 2012/13 and 2013/14. The capital expenditure program has been set and prioritised based on a process of consultation that has enabled Council to assess needs and develop sound business cases for each project. In addition to asset renewal the 2014/15 capital works program includes \$1.0 million for streetscape projects and \$1.0 million for major building rejuvenation projects in St. Arnaud and Stawell. (Capital works are forecast to be \$11.1 million for the 2013/14 year, of which \$2.6 million is for flood restoration works).

6. Financial Position



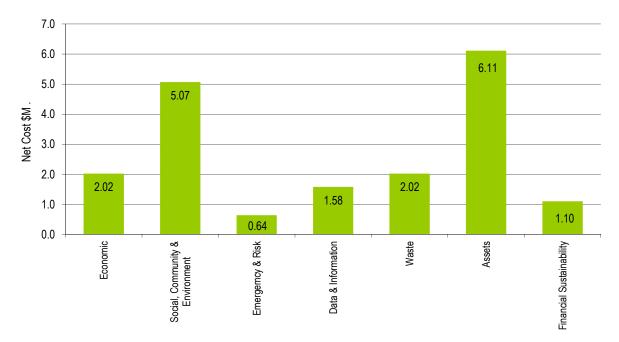
Net assets are expected to decrease by \$1.3 million to \$284.7 million, with net current assets (working capital) decreasing by \$0.06 million as at June 2015. This is due to the use of cash reserves to fund part of the capital works program from cash on hand. (Total equity is forecast to be \$286 million as at 30 June, 2014).

7. Financial Sustainability



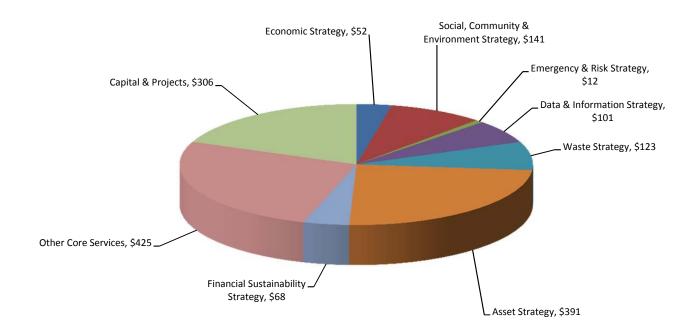
A high level Strategic Resource Plan for the years 2014/15 to 2017/18 has been developed to assist Council in adopting a budget within a longer term prudent financial framework. The key objective of the plan is financial sustainability in the medium to long term, while still achieving the Council's strategic objectives as specified in the Council Plan. The Plan projects that the underlying result, which is a measure of financial sustainability, shows a steady deficit over the four year period. The deficit includes depreciation which indicates that Council is unable to renew its stock of assets with the existing levels of funding.

8. Strategic Objectives



The Annual Budget includes a range of activities and initiatives to be funded that will contribute to achieving the strategic objectives specified in the Council Plan 2013-2017. The above graph shows the net level of funding allocated to services in the budget to achieve the strategic objectives as set out in the Council Plan for the 2014/15 year.

9. Where rates are spent



The above chart provides an indication of how Council allocates its rates expenditure across the strategies contained within the Council Plan. It shows how much is allocated to each strategy based on the average rates paid of \$1,619.

This budget has been developed through a process of consultation and review and management endorses it as financially responsible. More detailed budget information is available throughout this document.

1. Analysis of Operating Budget

This section analyses the operating budget including expected income and expenses of the Council for the 2014/15 year.

1.1 Budgeted Income Statement

	Ref	Forecast Actual 2013/14 \$'000	Budget 2014/15 \$'000	Variance \$'000
Total Income	1.2	29,890	31,562	1,672
Total Expenses	1.3	(32,540)	(32,831)	(291)
Surplus (Deficit) for the Year		(2,650)	(1,269)	1,381
Grants - Capital	1.2.4	(5,839)	(3,805)	2,034
Contributions - Capital		(385)	(51)	334
Adjusted Underlying Surplus (Deficit)	1.1.1	(8,874)	(5,125)	3,749

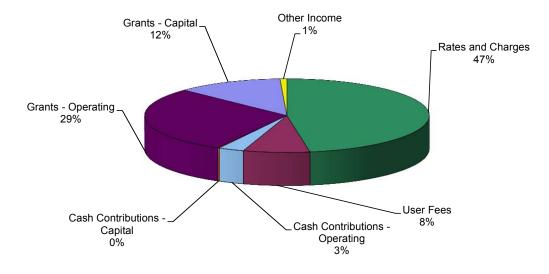
1.1.1 Adjusted Underlying Deficit (\$3.7 million decrease)

The adjusted underlying result is the net surplus or deficit for the year adjusted for capital grants and contributions. It is a measure of financial sustainability as it is not impacted by capital income items which mask the operating result. The adjusted underlying result measures Council's capacity to meet its asset renewal needs. The budgeted adjusted underlying result for the 2014/15 year is a deficit of \$5.1 million which is a decrease of \$3.7 million over the 2013/14 year. This is due to distortions in the 2013/14 year resulting from flood recovery grants, works carried forward from the previous year and the timing of advance payments of financial assistance grants. Regardless of the distortions between years, the adjusted underlying deficit indicates that Council is unable to renew its assets at appropriate levels without funding assistance.

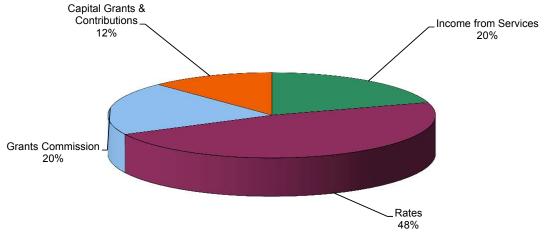
1.2 Income

		Forecast Actual	Budget	Variance
Income Types	Ref	2013/14 \$'000	2014/15 \$'000	\$'000
Rates and Charges	1.2.1	14,248	14,962	714
User Fees	1.2.2	2,164	2,378	214
Cash Contributions - Operating		684	918	234
Cash Contributions - Capital		385	51	(334)
Grants - Operating	1.2.3	6,251	9,203	2,952
Grants - Capital	1.2.4	5,839	3,805	(2,034)
Other Income		319	245	(74)
Total Income		29,890	31,562	1,672

Budget % Income by Type







1.2.1 Rates and Charges (\$0.7 million increase)

It is proposed that rates and charges income be increased by \$0.7 million over 2014/15 to \$14.9 million. The *Rating Strategy* includes a more detailed analysis of the rates and charges to be levied for 2014/15.

1.2.2 User Fees (\$0.2 million increase)

User charges contribute to the recovery of service delivery costs through the charging of fees to users of Council's services. These include use of leisure facilities and the provision of human services such as childcare and home care services.

1.2.3 Grants - Operating (\$3.0 million increase)

Operating grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services. The \$3.0 million increase is the result of adjustments for the timing of Victorian Grants Commission payments and grants for one off non capital projects, offset by the reduction in operating grants compared to 2013/14, received for flood recovery works.

Operating Grant Funding Types and Source	Forecast Actual 2013/14 \$'000	Budget 2014/15 \$'000	Variance \$'000
Recurrent - Commonwealth Government			
Victorian Grants Commission	3,217	6,375	3,158
Children's Services	41	72	31
Infrastructure Operations	60	61	1
Recurrent - State Government			
Aged Care	641	670	29
Children's Services	280	297	17
Emergency Services	20	23	3
School Crossings	23	26	3
Enivronmental Protection	50	50	-
Health	21	26	5
Youth Services	93	139	46
Total Recurrent Grants	4,446	7,739	3,293

Operating Grant Funding Types and Source (Continued)	Forecast Actual 2013/14 \$'000	Budget 2014/15 \$'000	Variance \$'000
Non-recurrent - Commonwealth Government Economic Development Flood Reconstruction	10 596	70	60 (596)
Low Income Energy Efficiency Project Lighting Up The Region	366	110 198	(256) 198
Non-recurrent State Government			
Emergency Management	19	120	101
Strategic Planning	77	8	(69)
Environmental Sustainability	93	-	(93)
Sloane St Carpark	50 25	-	(50)
Residential Land Realisation Project	100	-	(25)
Stawell Town Hall Exterior Painting	95	30	(100)
Boating Facilities Renewal Skate Park Facilities	95	450	(65) 450
Economic Development	374	165	(209)
Tourism Facilities	-	45	45
Recreation Facilities	-	268	268
Total Non-recurrent Grants	1,805	1,464	(341)
Total Grants - Operating	6,251	9,203	2,952

1.2.4 Grants - Capital (\$2.0 million decrease)

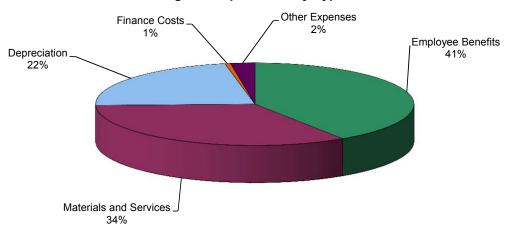
Capital grants include all monies received from State, Federal and community sources for the purposes of funding the capital works program. Overall the level of capital grants has decreased by \$2.0 million compared to 2013/14, due to grants in 2013/14 for asset restoration following flood events. The *Analysis of Capital Budget* section includes a more detailed analysis of the grants and contributions expected to be received during the 2014/15 year.

	Forecast Actual	Budget	Variance
Capital Grant Funding Types and Source	2013/14 \$'000	2014/15 \$'000	\$'000
Recurrent - Commonwealth Government Roads to Recovery	1,269	1,354	85
Recurrent - State Government Road Safety	40	40	-
Total Recurrent Grants	1,309	1,394	85
Non-recurrent - Commonwealth Government Halls Gap Community Hub Flood Reconstruction Drainage	500 2,005 100	-	(500) (2,005) (100)
Non-recurrent State Government Halls Gap Community Hub Country Roads and Bridges Initiative Streetscapes Footpaths Public WiFi ICT Equipment Open Spaces	500 - 61 20 15 11 282	- 1,000 700 - - - 71	(500) 1,000 639 (20) (15) (11) (211)
Buildings Aerodromes	421 615	640 -	219 (615)
Total Non-recurrent Grants	4,530	2,411	(2,119)
Total Grants - Capital	5,839	3,805	(2,034)

1.3 Expenses

Expense Types	Ref	Forecast Actual 2013/14 \$'000	Budget 2014/15 \$'000	Variance \$'000
Employee Benefits	1.3.1	12,639	13,368	729
Materials and Services	1.3.2	11,825	11,099	(726)
Depreciation	1.3.3	7,133	7,368	235
Finance Costs	1.3.4	163	185	22
Other Expenses		780	811	31
Total Expenses		32,540	32,831	291

Budget % Expenditure by Type



1.3.1 Employee Benefits (\$0.7 million increase)

Employee costs include all labour related expenditure such as wages and salaries and on-costs such as allowances, leave entitlements, employer superannuation, workcover and training.

Employee costs are forecast to increase by \$0.7 million compared to 2013/14. This increase relates to the impact of Council's Enterprise Bargaining Agreement (EBA).

A summary of human resources expenditure categorised according to the organisational structure of Council is included below:

		Comprises		
Department	Budget 2014/15 \$'000	Permanent Full time \$'000	Permanent Part time \$'000	
Corporate Services	2,510	2,386	124	
Economic & Community	4,226	2,232	1,994	
Infrastructure & Environment	5,426	4,970	456	
Total Permanent Staff Expenditure	12,162	9,588	2,574	
Casuals and Other Expenditure	1,206			
Total Expenditure	13,368			

A summary of the number of full time equivalent (FTE) Council staff in relation to the above expenditure is included below:

		Compr	ises
Department	Budget FTE	Permanent Full time	Permanent Part time
Corporate Services	29.0	27.0	2.0
Economic & Community	59.4	25.5	33.9
Infrastructure & Environment	82.5	78.0	4.5
Total FTE Permanent Staff	170.9	130.5	40.4
Casuals and Other Expenditure	10.6		
Total Full Time Equivalent Staff	181.5		

1.3 Expenses (continued)

1.3.2 Materials and Services (\$0.7 million decrease)

Materials and services include the purchases of consumables, payments to contractors for the provision of services and utility costs. Materials and services are forecast to decrease by \$0.7 million compared to 2013/14.

The decrease in materials and services is due to Council's continuing efforts to rationalise costs where appropriate.

1.3.3 Depreciation and Amortisation (\$0.2 million increase)

Depreciation is an accounting measure which attempts to allocate the value of an asset over its useful life for Council's property, plant and equipment including infrastructure assets such as roads and drains.

1.3.4 Finance Costs (\$0.2 million increase)

Borrowing costs relate to interest charged by financial institutions on borrowed funds. The increase in borrowing costs results from increased loan funds required to fund the capital works program

2. Budgeted Cash Position

This section presents the expected cash flows from the operating, investing and financing activities of Council for the 2014/15 year. Budgeting cash flows for Council is a key factor in setting the level of rates and providing a guide to the level of capital expenditure that can be sustained with or without using existing cash reserves.

The statement is based on three main categories of cash flows:

- Operating Activities Refers to the cash generated or used in the normal service delivery functions
 of Council. Cash remaining after paying for the provision of services to the community may be
 available for investment in capital works, or repayment of debt.
- Investing Activities Refers to cash generated or used in the enhancement or creation of
 infrastructure and other assets. These activities also include the acquisition and sale of other
 assets such as vehicles, property and equipment.
- Financing Activities Refers to cash generated or used in the financing of Council functions and includes borrowings from financial institutions and repayment of the principal component of loan repayments for the year.

2.1 Budgeted Cash Flow Statement

	Forecast		
	Actual	Budget	Variance
	2013/14	2014/15	
	\$'000	\$'000	\$'000
Cash flows from operating activities			
Receipts			
Rates and charges	14,248	14,962	714
Grants - operating	6,251	9,203	2,952
Grants - capital	5,839	3,805	(2,034)
Contributions - operating	684	918	234
Contributions - capital	385	51	(334)
Interest	235	211	(24)
User fees	2,164	2,378	214
Other	84	34	(50)
	29,890	31,562	1,672
Payments	ŕ	·	,
Employee benefits	(12,639)	(13,368)	(729)
Materials and consumables	(11,826)	(11,098)	(829)
Other	(780)	(811)	`(31)
	(25,245)	(25,277)	(1,589)
Net cash provided by operating activities	4,645	6,285	83
Cash flows from investing activities			
Proceeds from sales of property, plant & equipment	329	252	(77)
Payments for property, plant and equipment	(11,052)	(7,780)	3,272
Loans and advances made	(88)	(7,700)	88
Repayment of loans and advances	29	54	25
Net cash used in investing activities	(10,782)	(7,474)	3,308
Net cash used in investing activities	(10,702)	(1,414)	3,300
Cash flows from financing activities			
Proceeds from borrowings	1,000	1,000	0
Repayment of borrowings	(380)	(349)	31
Finance costs	(163)	(185)	(22)
Net cash used in financing activities	457	466	9
Net decrease in cash and cash equivalents	(5,680)	(723)	4,957
Cash and cash equivalents at the beginning of the year	9,910	4,230	(5,680)
Cash and cash equivalents at end of the year	4,230	3,507	(723)

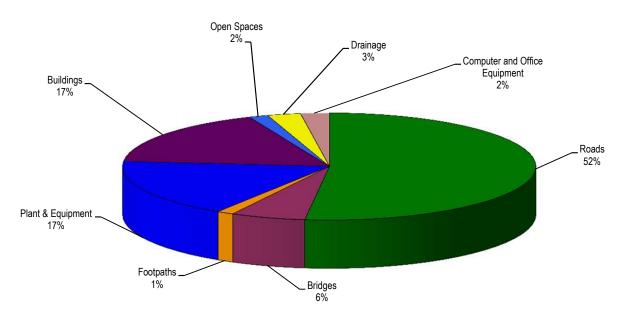
3. Analysis of Capital Budget

This section analyses the planned capital expenditure budget for the 2014/15 year and the sources of funding for the capital budget.

3.1 Capital Works

Capital Works Areas	Ref	Forecast 2013/14	Budget 2014/15	Variance
		\$'000	\$'000	\$'000
Roads	3.1.1	5,142	4,007	(1,135)
Bridges	3.1.2	965	450	(515)
Footpaths	3.1.3	110	100	(10)
Plant & Equipment	3.1.4	1,439	1,349	(90)
Buildings	3.1.5	2,394	1,325	(1,069)
Open Spaces	3.1.6	240	115	(125)
Drainage	3.1.7	303	200	(103)
Computer and Office Equipment	3.1.8	459	174	(285)
Land and Land Improvements		0	60	60
Total Capital Works		11,052	7,780	(3,272)
Represented by:				
Asset Renewal	3.1.9	8,285	5,883	(2,402)
New Assets	3.1.9	184	430	246
Asset Expansion/Upgrade	3.1.9	2,583	1,467	(1,116)
Total Capital Works		11,052	7,780	(3,272)

Budget % Capital Works by Area



A more detailed listing of capital works is included in Appendix C.

3.1.1 Roads (\$4.0 million)

Roads includes local roads, car parks, kerb & channel and street furniture.

For the 2014/15 year \$4.0 million will be expended on road projects. This is a \$1.1 million decrease on 2013/14 due to the high level of road restoration in 2013/14 following the floods in 2010/11. There is no further flood restoration work budgeted in 2014/15.

3.1.2 Bridges (\$0.5 million)

Bridges includes major culverts and floodways.

For the 2014/15 year, \$0.5 million will be expended on bridge projects. Flood restoration works were completed in 2013/14 and Council will focus on maintaining the existing bridge network in 2014/15.

3.1.3 Footpaths (\$0.01 million)

The footpath program includes renewal and improvement to footpaths and shared paths.

3.1.4 Plant & Equipment (\$1.3 million)

Plant & Equipment includes heavy plant and engineering equipment, and motor vehicles.

For the 2014/15 year, \$1.3 million will be expended on plant & equipment renewal, as set out in Council's 5 Year Plant Replacement Program.

3.1.5 Buildings (\$1.3 million)

Buildings includes community facilities, municipal offices, sports facilities, pavilions.

For the 2014/15 year, \$1.3 million will be expended on building projects. The most significant projects are the St Arnaud Town Hall and Civic Precinct and the Western Highway Heritage Precinct projects, both dependent on receiving grant funding.

3.1.6 Open Spaces (\$0.1 million)

Open Spaces includes passive and active reserves.

For the 2014/15 year \$0.1 million will be expended on open spaces. This includes fencing of the Apex Park play area in St. Arnaud, streetscape works in St. Arnaud and continuing work on Council's playground renewal program.

3.1.7 Drainage (\$0.2 million)

For the 2014/15 year, \$0.2 million will be expended on drainage and pit works as per Council's drainage improvement program.

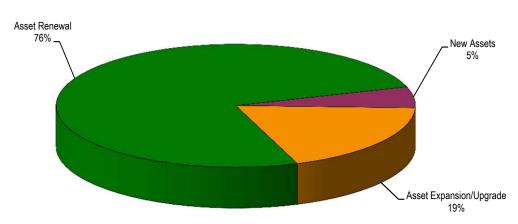
3.1.8 Computer & Office Equipment (\$0.2 million)

This program provides for the scheduled replacement of computer equipment and office furniture.

For the 2014/15 year, \$0.2 million will be expended on computer and office equipment to facilitate service delivery. This includes implementation of a system to assist management and long term financial planning for Council's \$400 million assets.

3.1.9 Asset Renewal (\$5.9m), New Assets (\$0.4m) and Expansion/Upgrade (\$1.5m)

A distinction is made between expenditure on new assets, expenditure on asset renewal and expansion/upgrades. Expenditure on asset renewal is expenditure on an existing assets, which improves the service potential or the life of the asset. Expenditure on new assets does not have any element of expansion/upgrade of existing assets but will result in an additional burden for future operation, maintenance and capital renewal.

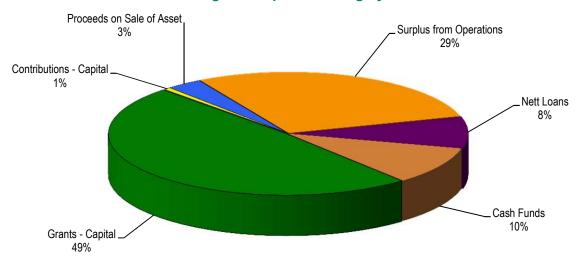


Budget % New / Renewal / Expansion Capital Works

3.2 Funding Sources

Sources of Funding	Ref	Forecast Actual 2013/14 \$'000	Budget 2014/15 \$'000	Variance \$'000
External				
Grants - Capital	3.2.1	5,839	3,805	(2,034)
Contributions - Capital		385	51	(334)
Proceeds on Sale of Assets	3.2.2	329	252	(77)
		6,553	4,108	(2,445)
Internal				
Surplus from Operations		(1,742)	2,244	3,986
Nett Loans		620	651	31
Cash Funds		5,621	777	(4,844)
	3.2.3	4,499	3,672	(4,844)
Total capital works		11,052	7,780	(7,289)

Budget % Capital Funding by Source



Source: Appendix A

3.2.1 Grants - Capital (\$3.8 million)

Capital grants include all monies received from State and Federal sources for the purposes of funding the capital works program.

The decrease in capital grants in 2014/15 is due to the previously inflated level of grants received for flood restoration works. Flood restoration is budgeted to be completed in 2013/14. The capital grants consist mainly of funding from Roads to Recovery and state allocated funds under the Country Roads and Bridges Initiative and Local Governement Infrastructure Program. It is anticipated that grant funding will be received for the St. Arnaud Town Hall & Civic Precinct Project in 2014/15.

3.2.2 Proceeds from Sale of Assets (\$0.25 million)

Proceeds from sale of assets include motor vehicle sales in accordance with Council's fleet renewal program, and sales of heavy plant in accordance with the plant renewal program.

3.2.3 Cash Funds (\$3.7 million)

Council generates cash from its operating activities, which is used as a funding source for the capital works program. In addition to this, Council has cash reserves set aside for specific purposes and in 2014/15 it is proposed to borrow \$1.0 million to fund property and infrastructure projects.

4. Strategic Resource Plan and Key Financial Indicators

This section considers the long term financial projections of the Council. The Act requires a Strategic Resource Plan to be prepared covering both financial and non-financial resources, including hyuman resources for at least the next four financial years to achieve the strategic objectives in the Council Plan.

4.1 Plan Development

Council has prepared a Strategic Resource Plan (SRP) for the four years 2014/15 to 2017/18 as part of its ongoing financial planning to assist in adopting a budget within a longer term framework. The SRP takes the strategic objectives and strategies as specified in the Council Plan and expresses them in financial terms for the next four years.

The key objective, which underlines the development of the Plan, is financial sustainability in the medium to long term, whilst still achieving Council's strategic objectives as specified in the Council Plan. The key financial objectives, which underpin the Long Term Financial Plan, are:

- Review existing service levels in order to work towards sustainability
- Maintain a capital expenditure program of at least \$5 million per annum
- Achieve a balanced budget on a cash basis.

In preparing the SRP, the Council has also been mindful of the need to comply with the following Principles of Sound Financial Management as contained in the Act:

- Prudently manage financial risks relating to debt, assets and liabilities
- Provide reasonable stability in the level of rate burden
- Consider the financial effects of Council decisions on future generations
- Provide full, accurate and timely disclosure of financial information.

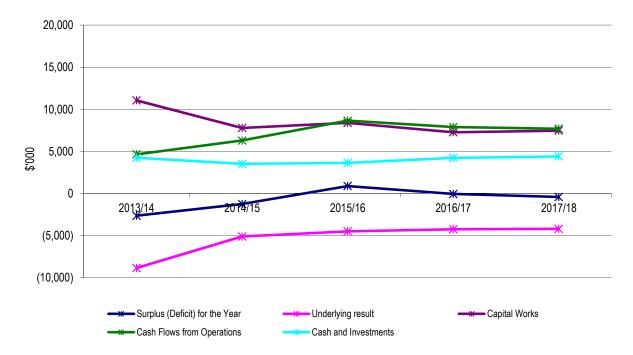
The Plan is updated annually through a process of consultation with Council service providers followed by a detailed sensitivity analysis to achieve the key financial objectives.

4.2 Financial Resources

The following table summarises the key financial results for the next four years as set out in the SRP for years 2014/15 to 2017/18. Appendix A includes a more detailed analysis of the financial resources to be used over the four year period.

	Forecast Actual	Budget	Strategic Resource Plan Projections		Plan	
	2013/14 \$'000	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	
Surplus (Deficit) for the Year	(2,650)	(1,269)	872	(62)	(429)	
Adjusted Underlying Result	(8,874)	(5,125)	(4,508)	(4,257)	(4,214)	
Cash and Investments	4,230	3,507	3,636	4,220	4,395	
Cash Flows from Operations	4,645	6,285	8,642	7,880	7,685	
Capital Grants & Contributions	6,224	3,856	5,380	4,195	3,785	
Capital Works	11,052	7,780	8,380	7,262	7,452	

The following graph shows the general financial indicators over the four year period.



The key outcomes of the Plan are as follows:

- Financial Sustainability Cash and investments are forecast to gradually increase over the four year period, which indicates a balanced budget on a cash basis in each year. However the underlying result shows a steady deficit over the four year period. The underlying result is a measure of financial sustainability and is an important measure as one off items can often mask the operating result. The deficit includes depreciation which indicates that Council is unable to renew its stock of assets with the existing levels of funding.
- Rating Principle Modest rate increases are forecast over the four years at an average of 5% in future years.
- Service Delivery Principle Service levels will be reviewed throughout the four year period.
- **Borrowing Principle** Borrowings are forecast to reduce from \$3.2 million to \$3.0 million over the four year period. There are proposed new borrowings of \$1.0 million in 2014/15.
- Asset Management Principle Capital expenditure over the four year period will total \$30.9 million at an average of \$7.7 million per year.

4.3 Non-financial Resources

In addition to the financial resources to be consumed over the planning period, Council will also consume non-financial resources, in particular human resources. The following table summarises the non-financial resources for the next four years. A statement of Human Resources is included in Appendix A.

			Strategi	c Resource	Plan
Indicator	Budget	Budget	Р	rojections	
	2013/14	2014/15	2015/16	2016/17	2017/18
	\$'000	\$'000	\$'000	\$'000	\$'000
Employee Costs	12,639	13,368	13,592	14,184	14,957
Employee Numbers					
Equivalent Full Time Employees (EFT)	180.9	181.5	174.5	171.0	171.0

Employee numbers are projected to decrease following service level reviews to be undertaken during the period resulting in service rationalisation in order to work towards achieving sustainability in the future.

5. Rating Information

This section considers the Council's rating levels and structure and the impact of changes in property valuations.

In developing the Strategic Resource Plan, rates and charges were identified as an important source of revenue, accounting for 47.4% of the total revenue to be received by Council in 2014/15. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process.

However, it has also been necessary to balance the importance of rate revenue as a funding source with community sensitivity to increases.

5.1 Current Year Rate Increase

In order to provide services and undertake the capital expenditure program, general rates will increase by 5.0% in 2014/15 raising a total rate revenue of \$12.7 million (\$15.0 million total rates and charges). This total includes the Municipal Charge, which will increase by \$7 per assessment. The following table sets out future proposed rate increases and total rates and charges to be raised, based on the forecast financial position of Council as at 30 June 2014.

Year	Rate Increase %	Total Rates and Charges Raised \$'000
2013/14	5.0	14,248
2014/15	5.0	14,962
2015/16	5.0	15,710
2016/17	5.0	16,496
2017/18	5.0	17,320

Future rate increases have been set by Council with regard to both the community's service expectation and their capacity to pay.

5.2 Rating Structure

Council has established a rating structure which is comprised of three key elements. These are:

- property values, which reflect capacity to pay and form the central basis of rating under the Local Government Act 1989,
- a 'user pays' component to reflect use of certain services provided by Council, and
- a fixed municipal charge per property.

Striking a proper balance between these elements provides equity in the distribution of the rate burden across residents.

Having reviewed the various valuation bases for determining the property value component of rates, Council has determined to apply a Capital Improved Value (CIV) basis on the grounds that it provides the most equitable distribution of rates across the municipality.

Council makes a further distinction within the property value component of rates based on the purpose for which the property is used, that is, whether the property is used for farming purposes or recreational and cultural purposes, in order to distribute the rate burden accordingly.

The existing rating structure comprises a general rate, a farm land differential rate and a rate concession for recreational & cultural land. These rates are structured in accordance with the requirements of Section 161 of the Act and the Ministerial Guidelines for the setting of differential rates. Under the Cultural and Recreational Lands Act 1963, provision is made for a Council to grant a rating concession to any "recreational lands" which meet the test of being "rateable land" under the Act. The farming rate is set at 65% of the general residential rate and the concession rate for recreational land is set at 58% of the general residential rate. Council also has a municipal charge, a kerbside garbage collection charge and a kerbside recycling collection charge as allowed under the Act.

The following table summarises the rates to be determined for the 2014/15 year. A more detailed analysis of the rates to be raised is contained in Appendix B "Statutory Disclosures".

Rate Type	How Applied	2013/14	2014/15
General Rates	Cents/\$ CIV	0.6738	0.6915
Farm Rates	Cents/\$ CIV	0.4380	0.4495
Recreational and Cultural Rates	Cents/\$ CIV	0.3908	0.4011
Municipal Charge	\$/ property	\$132.00	\$139.00
Kerbside Garbage Collection Charge	\$/ property	\$235.00	\$247.00
Additional Kerbside Garbage Collection Charge	\$/ property	\$135.00	\$142.00
Kerbside Recycling Collection Charge	\$/ property	\$135.00	\$142.00

Council has adopted a formal *Revenue and Rating Strategy* that contains further information regarding Council's rating structure.

5.3 General Revaluation of Properties

A general revaluation of all properties within the Council's municipal district occurs every two years. During the 2013/14 year, a revaluation of all properties within the municipality was carried out which will apply from 1 January, 2014 for the 2014/15 year.

The revaluation has returned an overall increase of 3% with no significant variation across the various valuation groups therefore the distribution of rates and charges in the 2014/15 budget will not be impacted by the general revaluation. Council has not made any changes to the existing rate differential.

6. Borrowings

This section considers the Council's borrowing principles and sets out the borrowings that have been incorporated into the Strategic Resource Plan.

In developing the Strategic Resource Plan, borrowings were identified as an important funding source for capital works programs. In the past, Council has borrowed to finance large infrastructure projects.

For the 2014/15 year, Council has decided to take out new borrowings of \$1 million to fund the capital works program and therefore, after making loan repayments of \$0.35 million, will increase its total borrowings to \$3.8 million as at 30 June, 2015. It is likely that in the longer term, further borrowings will be required to fund future infrastructure initiatives. The following table sets out future proposed borrowings, based on the forecast financial position of Council as at 30 June, 2014.

	New	Principal	Interest	Balance
Year	Borrowings	Paid	Paid	30 June
	\$'000	\$'000	\$'000	\$'000
2013/14	1,000	380	163	3,182
2014/15	1,000	349	185	3,833
2015/16	-	282	219	3,551
2016/17	-	289	198	3,262
2017/18	-	307	181	2,955

The table below shows information on borrowings specifically required by the Regulations.

	2013/14 \$'000	2014/15 \$'000
Total amount borrowed as at 30 June of the prior year	2,562	3,182
Total amount to be borrowed	1,000	1,000
Total amount projected to be redeemed	380	349
Total amount proposed to be borrowed as at 30 June	3,182	3,833

7. Asset Management

This section considers the Council's asset management principles and sets out the capital expenditure that has been incorporated into the Strategic Resource Plan.

The Council has developed an Asset Management Strategy based on the knowledge provided from the various Asset Management Plans, which sets out the capital expenditure requirements of the Council for the next 6 years by class of asset and is a key input to the long term financial plan. It predicts infrastructure consumption and renewal needs and considers infrastructure needs to meet future community service expectations. The Strategy has been developed through a process of consultation and evaluation.

The key aspects of the process are as follows:

- Long term capital planning process which integrates with the Council Plan, Strategic Resource Plan and Annual Budget processes.
- Identification of capital projects through the preparation of asset management plans.
- Prioritisation of capital projects within classes on the basis of evaluation criteria.
- Methodology for allocating annual funding to classes of capital projects.
- Business Case template for officers to document capital project submissions.

A key objective of the Asset Management Strategy is to maintain or renew Council's existing assets at desired condition levels. If sufficient funds are not allocated to asset renewal then Council's investment in those assets will reduce, along with the capacity to deliver services to the community.

Currently, Council is similar to most rural municipalities in that it is currently unable to fully fund asset renewal requirements identified in the Asset Management Strategy. While the Asset Management Strategy is endeavoring to provide a sufficient level of annual funding to meet ongoing asset renewal needs, in future years the required asset renewal demand is not being met creating an asset renewal gap and increasing the level of backlog. Backlog is the renewal works that Council has not been able to fund over the past years and is equivalent to the accumulated asset renewal gap.

Council is currently working on accurately assessing its backlog and future renewal gap, following extensive road restoration works undertaken in response to the major flood events that occurred in 2010 and 2011.

The following table summarises Council's forward outlook on capital expenditure including funding sources for the next four years.

Year	Total Capital Program \$'000	Grants & Contributions \$'000	Borrowings \$'000	Asset Sales \$'000	Cash Funds \$'000
2013/14	11,052	6,224	1,000	329	3,499
2014/15	7,780	3,856	1,000	252	2,672
2015/16	8,380	5,380	-	320	2,680
2016/17	7,262	4,195	-	415	2,652
2017/18	7,452	3,785	-	415	3,252

In addition to using cash generated from its annual operations, borrowings and external contributions such as government grants, Council has several cash or investment reserves. Reserves are either 'statutory' or 'discretionary' cash reserves. Statutory reserves relate to cash and investments held by Council that must be expended on a specific purpose as directed by legislation or a funding body. Discretionary cash reserves relate to those cash and investment balances that have been set aside by Council and can be used at Council's discretion, even though they may be earmarked for a specific purpose.

Appendix A includes a Statement of Reserves.

Appendices

The following appendices include voluntary and statutory disclosures of information which provide support for the analysis contained in sections 1 to 7 of this report.

This information has not been included in the main body of the budget report in the interests of clarity and conciseness. Council has decided that whilst the budget report needs to focus on the important elements of the budget and provide appropriate analysis, the detail upon which the annual budget is based should be provided in the interests of open and transparent local government.

The contents of the appendices are summarised below:

Appendix	Nature of Information	Page
Α	Budgeted Statements	61
В	Rates and Charges	68
С	Capital Works Program	71
D	Performance Reporting	73

Appendix A Budgeted Statements



This appendix presents information in regard to the Budgeted Financial Statements and Statement of Human Resources. The budget information for the years 2014/15 to 2017/18 has been extracted from the Strategic Resource Plan.

At the end of each financial year Council is required to include in the Financial Statements in its Annual Report a comparison of actual income and expenditure compared with the income and expenditure in the financial statements in the Budget.

The appendix includes the following budgeted information:

- Budgeted Comprehensive Income Statement
- Budgeted Balance Sheet
- Budgeted Statement of Changes in Equity
- Budgeted Statement of Cash Flows
- Budgeted Statement of Capital Works
- Budgeted Statement of Reserves
- Budgeted Statement of Human Resources

Budgeted Comprehensive Income StatementFor the four years ending 30 June 2018



	Forecast Actual	Budget	Strategic Resource Plan Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
	\$'000	\$'000	\$'000	\$'000	\$'000
Income	ΨΟΟΟ	ΨΟΟΟ	ΨΟΟΟ	ΨΟΟΟ	ΨΟΟΟ
Rates and Charges	14,248	14,962	15,710	16,496	17,320
Fees, Fines and User Charges	2,164	2,378	2,528	2,692	2,870
Contributions - Operating	684	918	866	896	926
Contributions - Capital	385	51	-	-	-
Grants - Operating	6,251	9,203	10,882	10,242	8,106
Grants - Capital	5,839	3,805	5,380	4,195	3,785
Other Income	319	245	248	251	255
Total Income	29,890	31,562	35,614	34,772	33,262
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Expenses					
Employee Costs	12,639	13,368	13,592	14,184	14,957
Materials and Services	11,825	11,099	12,550	11,861	9,753
Depreciation	7,133	7,368	7,552	7,743	7,934
Finance Costs	163	185	219	198	180
Other Expenses	780	811	829	848	867
Total Expenses	32,540	32,831	34,742	34,834	33,691
Surplus (Deficit) for the Year	(2,650)	(1,269)	872	(62)	(429)
	(=,000)	(.,=/	<u> </u>	(02)	(.20)
Comprehensive Result	(2,650)	(1,269)	872	(62)	(429)

Budgeted Balance SheetFor the four years ending 30 June 2018



	Forecast		Strategio	Strategic Resource Plan		
	Actual	Budget		Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18	
	\$'000	\$'000	\$'000	\$'000	\$'000	
Assets						
Current Assets	0.044			4.000	4.00=	
Cash and Cash Equivalents	3,211	2,488	3,636	4,220	4,395	
Trade and Other Receivables Inventories	1,719 45	1,712	1,703 45	1,678 45	1,668 45	
Other Assets	45 58	45 58	45 58	58	58	
Total Current Assets	5,033	4,303	5,442	6,001	6,166	
Total Current Assets	5,033	4,303	5,442	0,001	0,100	
Non-current Assets						
Trade and Other Receivables	104	56	18	4	_	
Investments in Regional Library Corporation	687	687	687	687	687	
Property, Infrastructure, Plant & Equipment	287,657	287,817	288,325	287,429	286,532	
Financial Assets	1019	1019	-	_	-	
Total Non-current Assets	289,467	289,579	289,030	288,120	287,219	
Total Assets	294,500	293,882	294,472	294,121	293,385	
_	<u>-</u>	<u> </u>	·	<u>-</u>		
Liabilities						
Current Liabilities						
Trade and Other Payables	1,970	1,970	1,970	1,970	1,970	
Provisions	2,773	2,773	2,773	2,773	2,773	
Interest-bearing Loans and Borrowings	349	282	289	307	326	
Other	26	26	26	26	26	
Total Current Liabilities	5,118	5,051	5,058	5,076	5,095	
Non-current Liabilities	500		500	500	500	
Provisions	562	562	562	562	562	
Interest-bearing Loans and Borrowings	2,833	3,551	3,262	2,955	2,629	
Total Non-current Liabilities _	3,395	4,113	3,824	3,517	3,191	
_						
Total Liabilities	8,513	9,164	8,882	8,593	8,286	
<u>-</u>						
Net Assets_	285,987	284,718	285,590	285,528	285,099	
Equity						
Equity Accumulated Surplus	132,321	130,534	130,849	130,240	129,743	
Reserves	153,666	154,184	154,741	155,288	155,356	
Total Equity	285,987	284,718	285,590	285,528	285,099	
	===,==.	,• ••	==3,000	,	===,===	

Budgeted Statement of Changes in EquityFor the four years ending 30 June 2018



	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2015		·	·	
Balance at Beginning of the Financial Year	285,987	132,321	151,378	2,288
Comprehensive Result	(1,269)	(1,269)	-	_
Transfer to Reserves	-	(583)	-	583
Transfer from Reserves	-	65	-	(65)
Balance at End of the Financial Year	284,718	130,534	151,378	2,806
2016				
Balance at Beginning of the Financial Year	284,718	130,534	151,378	2,806
Comprehensive Result	872	872	-	, -
Transfer to Reserves	_	(557)	-	557
Transfer from Reserves	-	· ,	-	-
Balance at End of the Financial Year	285,590	130,849	151,378	3,363
2017				
Balance at Beginning of the Financial Year	285,590	130,849	151,378	3,363
Comprehensive Result	(62)	(62)	-	-
Transfer to Reserves	-	(547)	-	547
Transfer from Reserves	-	· ,	-	-
Balance at End of the Financial Year	285,528	130,240	151,378	3,910
2018				
Balance at Beginning of the Financial Year	285,528	130,240	151,378	3,910
Comprehensive Result	(429)	(429)	-	-
Transfer to Reserves	-	(223)	_	223
Transfer from Reserves	_	155	-	(155)
Balance at End of the Financial Year	285,099	129,743	151,378	3,978

Budgeted Statement of Cash FlowsFor the four years ending 30 June 2018



	2013/14 \$'000	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18
	Inflows	Inflows	Inflows	Inflows	Inflows
	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)
Cash flows from operating activities					
Rates and Charges	14,248	14,962	15,710	16,496	17,320
Fees, Fines and User Charges	2,164	2,378	2,527	2,692	2,870
Contributions - Operating	684	918	866	896	926
Contributions - Capital	385	51	-	-	-
Grants - Operating	6,251	9,203	10,882	10,242	8,106
Grants - Capital	5,839	3,805	5,380	4,195	3,785
Interest	235	211	213	215	217
Other Receipts	84	34	35	36	38
Employee Costs	(12,639)	(13,368)	(13,592)	(14,184)	(14,957)
Materials and Consumables	(11,826)	(11,098)	(12,550)	(11,860)	(9,753)
Other Payments	(780)	(811)	(829)	(848)	(867)
Net cash provided by operating activities	4,645	6,285	8,642	7,880	7,685
Cash flows from investing activities					
Payments for Property, Plant and Equipment	(11,052)	(7,780)	(8,380)	(7,262)	(7,452)
Proceeds from Sale of Property, Plant and Equipment	329	252	320	415	415
Loans and Advances Made	(88)	-	-	-	-
Repayment of Loans and Advances	29	54	48	38	14
Net cash used in investing activities	(10,782)	(7,474)	(8,012)	(6,809)	(7,023)
Cash flows from financing activities					
Finance Costs	(163)	(185)	(219)	(198)	(180)
Proceeds from Borrowings	1,000	1,000	-	-	-
Repayment of Borrowings	(380)	(349)	(282)	(289)	(307)
Net cash provided by financing activities	457	466	(501)	(487)	(487)
Net (Decrease) / Increase in Cash and Cash Equivalents	(5,680)	(723)	129	584	175
Cash and Cash Equivalents at Beginning of the Financial Year	9,910	4,230	3,507	3,636	4,220
Cash and Cash Equivalents at End of the Financial Year	4,230	3,507	3,636	4,220	4,395

Budgeted Statement of Capital Works

For the four years ending 30 June 2018



	Forecast		Strategio	Resource P	esource Plan	
	Actual	Budget	Projections			
Capital Works Areas	2013/14	2014/15	2015/16	2016/17	2017/18	
	\$'000	\$'000	\$'000	\$'000	\$'000	
Property						
Land Improvements	-	60	100	170	400	
Buildings	2,394	1,325	1,640	440	40	
Total Property	2,394	1,385	1,740	610	440	
Plant and Equipment						
Plant, Machinery and Equipment	1,439	1,349	1,350	1,375	1,500	
Furniture and Office Equipment	10	10	10	12	12	
Computers and Telecommunications	449	164	110	110	110	
Total Plant and Equipment	1,898	1,523	1,470	1,497	1,622	
Infrastructure						
Roads	5,142	4,007	4,200	4,070	4,140	
Bridges	965	450	620	685	750	
Footpaths	110	100	100	150	150	
Drainage	303	200	200	200	300	
Parks, Open Space and Streetscapes	240	115	50	50	50	
Total Infrastructure	6,760	4,872	5,170	5,155	5,390	
Total Capital Works Expenditure	11,052	7,780	8,380	7,262	7,452	
-						
Represented by:	40.4		0=0	222	0=6	
New Asset Expenditure	184	430	250	300	350	
Asset Renewal Expenditure	8,285	5,883	6,680	5,842	6,062	
Asset Expansion/Upgrade Expenditure	2,583	1,467	1450	1120	1040	
Total Capital Works Expenditure _	11,052	7,780	8,380	7,262	7,452	

Reconciliation of net movement in property, plant infrastructure and equipment

Total Capital Works	11,052	7,780	8,380	7,262	7,452
					_
Assets Disposed	(329)	(252)	(320)	(415)	(415)
Depreciation	(7,133)	(7,368)	(7,552)	(7,743)	(7,934)
Net Movement in Property,	3.590	160	508	(896)	(907)
Infrastructure, Plant & Equipment	3,390	100	506	(090)	(897)

Budgeted Statement of Reserves

For the four years ending 30 June 2018



		Forecast Actual	Budget	•	Resource Projections	lan
Reserve		2013/14 \$'000	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000
Plant Replacement		979	914	934	1,024	989
Gravel Pits Restoration		122	122	122	122	122
Community Loans		142	196	244	282	296
Waste Management		560	780	960	1,070	950
Long Service Leave		285	294	303	312	321
Defined Benefits		200	300	400	500	500
Loan Repayment		-	200	400	600	800
	Total Reserves	2,288	2,806	3,363	3,910	3,978

Budgeted Statement of Human Resources

For the four years ending 30 June 2018

		Forecast	Strategic Resource Plan			lan
		Actual	Budget	Pr	ojections	
		2013/14	2014/15	2015/16	2016/17	2017/18
		\$'000	\$'000	\$'000	\$'000	\$'000
Staff Expenditure						
Employee costs	_	12,639	13,368	13,592	14,184	14,957
	Total Staff Expenditure	12,639	13,368	13,592	14,184	14,957
	_					
Staff Numbers		EFT	EFT	EFT	EFT	EFT
Employees	_	180.9	181.5	174.5	171.0	171.0
	Total Staff Numbers	180.9	181.5	174.5	171.0	171.0

EFT - Equivalent Full Time

Appendix B Rates and Charges



This appendix presents information which the Act and the Regulations require to be disclosed in the Council's annual budget.

1. Rates and Charges

1.1 The rate in the dollar to be levied as general rates under section 158 of the Act for each type or class of land compared with the previous financial year

Type of Property	2013/14	2014/15	
	cents/\$CIV	cents/\$CIV	Change
General rate for rateable residential properties	0.6738	0.6915	2.6%
General rate for rateable commercial properties	0.6738	0.6915	2.6%
General rate for rateable industrial properties	0.6738	0.6915	2.6%
General rate for rateable farm properties	0.4380	0.4495	2.6%
Rate concession for rateable recreational properties	0.3908	0.4011	2.6%

1.2 The estimated total amount to be raised by general rates in relation to each type or class of land and the estimated total amount to be raised by general rates compared with the previous financial year

Type of Property	2013/14	2014/15	
	\$000's	\$000's	Change
Residential	6,338	6,678	5.4%
Commercial	886	895	1.0%
Industrial	277	282	1.8%
Farm	3,581	3,780	5.6%
Recreational	12	13	4.1%
Total amount to be raised by general rates	11,094	11,648	5.0%

1.3 The number of assessments in relation to each type or class of land and the total number of assessments compared with the previous financial year

Type of Property	2013/14	2014/15	Change
Residential	6,252	6,276	0.4%
Commercial	438	432	(1.4%)
Industrial	215	216	0.5%
Farm	2,307	2,311	0.2%
Cultural and Recreational	8	8	0.0%
Total number of assessments	9,220	9,243	0.2%

1.4 The basis of valuation to be used is the Capital Improved Value (CIV)

1.5 The estimated total value of each type of property and the estimated total value compared with the previous financial year

Time of Drawarts	2013/14	2014/15	
Type of Property	\$000's	\$000's	Change
Residential	940,612	966,584	2.8%
Commercial	131,448	129,399	(1.6%)
Industrial	41,125	40,804	(0.8%)
Farm	817,611	844,336	3.3%
Cultural and Recreational	3,084	3,130	1.5%
Total value of land	1,933,880	1,984,253	2.6%

1. Rates and Charges (continued)



1.6 The municipal charge under section 159 of the Act compared with the previous financial year

	Per Rat	eable Property	
Type of Charge	2013/14	2014/15	
	\$	\$	Change
Municipal Charge	132	139	5.3%

1.7 The estimated total amount to be raised by municipal charges compared with the previous financial year

Time of Chause	2013/14	2014/15	
Type of Charge	\$000's	\$000's	Change
Municipal Charge	1,035	1,082	4.5%

1.8 The rate or unit amount to be levied for each type of service rate or charge under section 162 of the Act compared with the previous financial year

	Per Serviced Property				
Type of Charge	2013/14	2014/15			
	\$	\$	Change		
Kerbside Collection	235	247	5.1%		
Additional Kerbside Collection	135	142	5.2%		
Recycling	135	142	5.2%		
Total	505	531	5.1%		

1.9 The estimated total amount to be raised by each type of service rate or charge, and the estimated total amount to be raised by service rates and charges, compared with the previous financial year

Type of Charge	2013/14	2014/15	
Type of Charge	\$000's	\$000's	Change
Kerbside Collection	1,321	1,387	5.0%
Additional Kerbside Collection	28	30	5.6%
Recycling	776	815	5.1%
Total	2,125	2,232	5.0%

1.10 The estimated total amount to be raised by all rates and charges compared with the previous financial year

Time of Charge	2013/14	2014/15	
Type of Charge	\$000's	\$000's	Change
Rates and charges	14,255	14,962	5.0%

1.11 Any significant changes that may affect the estimated amounts to be raised by rates and charges

There are no known significant changes which may affect the estimated amounts to be raised by rates and charges. However, the total amount to be raised by rates and charges may be affected by:

- The making of supplementary valuations
- The variation of returned levels of value (e.g. valuation appeals);
- Changes of use of land such that rateable land becomes non-rateable land and vice versa; and
- Changes of use of land such that residential land becomes business land and vice versa.

2. Differential Rates



2.1 Rates to be Levied

Council has a general rate for all rateable properties, a farm land differential rate for eligible farm properties, and a concession rate for eligible rateable recreational properties. The eligibility criteria for each category is detailed below. The

- a general rate of 0.6915% (0.6915 cents in the dollar of CIV) for all rateable properties; and
- a farm rate of 0.4495% (0.4495 cents in the dollar of CIV) for all rateable farm properties, and
- a general rate of 0.4011% (0.4011 cents in the dollar of CIV) for all rateable recreational properties.

The differential rate for eligible rateable farm properties is set at 65% of the general rate for all other rateable properties.

The concession rate for eligible rateable recreational properties is set at 58% of the general rate for all other rateable properties.

Each rate will be determined by multiplying the Capital Improved Value of each rateable land (categorised by the characteristics described below) by the relevant amounts indicated above.

In accordance with the Local Government Legislation Amendment (Miscellaneous) Act 2012, Council has considered the Ministerial Guidelines with regards to the setting of differential rates and believes its farm land differential rate to be consistent with the guidelines. Council considers that the differential rate will contribute to the equitable and efficient carrying out of council functions. Details of the objectives of the differential rate and the types of classes of land which are subject to the differential rate and the uses of the differential rate, are set out below.

2.2 General Rate Land

General Rate Land means any rateable land which is not farm land or recreational and cultural land.

The purpose of the General Rate is to ensure that Council has adequate funding to undertake its strategic and statutory service provision and community services obligations.

2.3 Farm Rate Land

Farm Rate Land is any rateable land, which is all of the following:

- is 2 or more hectares in area:
- qualifies as a farm under the definition of Farm Land as prescribed in the Valuation of Land Act 1960;
- qualifies as a farm land in accordance with Council's Farm Rate Differential Policy.

Farm land under the Act, means land that it is not less than 2 hectares in area and is used primarily for grazing (including agistment), dairying, pig farming, poultry farming, fish farming, tree farming, bee keeping, viticulture, horticulture, fruit

In addition the Act clearly states that the property must be used by a business that has a significant and commercial purpose or character and seeks to make a profit on a continuous or repetitive basis from its activities on the land, and that

Council's Farm Rate Differential Policy further states that some farm land could not be used as a substantial commercial purpose on small holdings and specifies property sizes for some types of farm activities.

The purpose of the Farm Rate is to assist farmers who, unlike other businesses, require a large amount of land to generate their income. Farm profitability is affected by the vagaries of weather and international markets and agricultural producers are unable to pass on increases in costs like other businesses. In this sense farms are seen to be more susceptible or fragile than other commercial and industrial operations.

2.4 Recreation & Cultural Rate Land

Recreational & Cultural Rate Land is any rateable land which:

is within the Shire and eligible in accordance with the Cultural and Recreational Lands Act 1963.

Appendix C Capital Works Program



This appendix presents a listing of the capital works projects that will be undertaken for the 2014/15 year grouped by class.

Capital Works Program

For the year ending 30 June 2015

		Asset Expenditure Type		Summary of Funding Sources				
Capital Works Area	Project Cost	New	Renewal	Expansion/ Upgrade	Grants	Contributions	Council Cash	Loan Funds
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property								
Land Improvements	60	-	60	-	-	-	60	-
Buildings								
Western Highway Heritage Precinct	400	-	400	-	300	50	-	50
St Arnaud Town Hall & Civic Precinct	600	-	600	-	300	-	-	300
Stawell Entertainment Centre Renewal	75	-	75	-	-	-	75	-
St Arnaud Pool	60	-	-	60	40	-	20	-
Halls Gap Community Hub (Stage 2C)	150	150	-	-	-	-	-	150
Energy Efficiency in Buildings	20	_	20	_	-	_	-	20
Community Access Plan Implementation	20	-	20	-	-	-	20	-
Total Buildings	1,325	150	1,115	60	640	50	115	520
		4.50			0.10			
Total Property	1,385	150	1,175	60	640	50	175	520
Plant and Equipment								
Plant, Machinery and Equipment								
Light Fleet	294	_	294	_	_	_	294	_
Heavy Fleet	1,005		1,005	_	_	_	1,005	_
Minor Plant	50	_	50	_	_	_	50	_
Total Plant, Machinery and Equipment	1,349	_	1,349	_	_	_	1,349	
	1,010		.,				.,	
Furniture and Office Equipment	10	-	10	-	-	-	10	-
Computers and Telecommunications	164	-	164	-	-	-	164	-
Total Plant and Equipment	1,523	-	1,523	-	-	-	1,523	-
Infrastructure								
Roads								
Final Seal Program	325	_	325	-	207	-	118	_
Kerb & Channel Program	150	150	-	-	-	-	-	150
Major Rural Roads Program	200	-	200	-	200	-	-	-
Resealing Program	825	_	825	-	775	_	50	_
Resheeting Program	800	_	800	-	402	_	398	_
Rural & Residential Program	260	_	-	260	40	_	220	_
Town Street Sealing Program	76	_	_	76	.,	_	76	_
Urban Rd Improvement Program	50	_	_	50	_	_	50	_
Rehabilitation Program	320	_	320	-	320	_	-	_
B Double Route Upgrade	40	_		40	_	_	40	_
Total Roads	3,046	150	2,470	426	1,944	-	952	150
Buildage								
Bridges Bridge Denough Brogram	200		200		200			
Bridge Renewal Program	200	-	200	-	200	-	-	-
Major Culvert Renewal Program	250	-	250 450		250 450			
Total Bridges	450	-	450		450	-	-	
Footpaths	100	100	-	-	-	-	-	100
Drainage	200	_	200	_			200	

Capital Works Program (continued)For the year ending 30 June 2015



		Asse	t Expendit	ure Type	S	ummary of Fund	ling Source	s
Capital Works Area	Project Cost \$'000	New \$'000	Renewal	Expansion/ Upgrade \$'000	Grants \$'000	Contributions \$'000	Council Cash \$'000	Loan Funds \$'000
Infrastructure (continued)								
Parks, Open Space and Streetscapes								
Stawell CBD Revitalization	500	-	-	500	400	-	-	100
St Arnaud Streetscape	400	-	-	400	300	-	-	100
Great Western Township Streetscape and Public Space Asset Renewal and Improvements	61	-	-	61	61	-	-	-
Grapevines at St Arnaud CBD and Streetscape Works	30	-	30	-	-	-	30	-
North Park Cricket Nets Upgrade	20	-	-	20	10	1	9	-
Fencing to Apex Park Play Area	30	30	-	-	-	-	-	30
Replacement of Park Furniture & Upgrading Works	20	-	20	-	-	-	20	-
Playground Renewals	15	-	15		-	-	15	
Total Parks, Open Space and Streetscapes	1,076	30	65	981	771	1	74	230
Total Infrastructure	4,872	280	3,185	1,407	3,165	1	1,226	480
Total Capital Works 2014/15	7,780	430	5,883	1,467	3,805	51	2,924	1,000
Summary								
Property	1,385	150	1,175	60	640	50	175	520
Plant and Equipment	1,523	-	1,523	-	-	-	1,523	-
Infrastructure	4,872	280	3,185	1,407	3,165	1	1,226	480
Total Capital Works	7,780	430	5,883	1,467	3,805	51	2,924	1,000

Appendix D Performance Reporting



The service performance outcome indicators detailed below are prescribed indicators and measures of performance for services that are funded in the budget. Council's performance in relation to these measures will be reported in the *Performance Statement* contained with the *Annual Report* as required by the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

Service	Indicator	Performance Measure	Computation
Governance	Satisfaction	Satisfaction with Council decisions (Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community)	Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community
Service	Indicator	Performance Measure	Computation
Home and Community Care	Participation	Participation in HACC service (Percentage of the municipal target population who receive a HACC service)	[Number of people that received a HACC service / Municipal target population for HACC services] x100
		Participation in HACC service by CALD people (Percentage of the municipal target population in relation to CALD people who receive a HACC service)	[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100
Service	Indicator	Performance Measure	Computation
Maternal and Child Health	Participation	Participation in the MCH service (Percentage of children enrolled who participate in the MCH service)	[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100
		Participation in MCH service by Aboriginal children (Percentage of Aboriginal children enrolled who participate in the MCH service)	[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100
Service	Indicator	Performance Measure	Computation
Libraries	Participation	Active library members (Percentage of the municipal population that are active library members)	[Number of active library members / municipal population] x100
Service	Indicator	Performance Measure	Computation
Aquatic Facilities	Utilisation	Utilisation of aquatic facilities (Number of visits to aquatic facilities per head of municipal population)	Number of visits to aquatic facilities / Municipal population

Appendix D - Performance Reporting (continued)



Service	Indicator	Performance Measure	Computation
Economic Development	Economic Activity	Change in number of businesses (Percentage change in the number of businesses with an ABN in the municipality)	[Number of businesses with an ABN in the municipality at the end of the financial year <i>less</i> the number of businesses at the start of the financial year / Number of businesses with an ABN in the municipality at the start of the financial year] x100
Service	Indicator	Performance Measure	Computation
Statutory Planning	Decision Making	Council planning decisions upheld at VCAT (Percentage of planning application decisions subject to review by VCAT and that were not set aside)	[Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100
Service	Indicator	Performance Measure	Computation
Waste Collection	Waste Diversion	Kerbside collection waste diverted from landfill (Percentage of garbage, recyclables and green organics collected from kerbside bins that is diverted from landfill)	[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100
Service	Indicator	Performance Measure	Computation
Roads	Satisfaction	Satisfaction with sealed local roads (Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads)	Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads.
Service	Indicator	Performance Measure	Computation
Animal Management	Health and Safety	Animal management prosecutions (Number of successful animal management prosecutions)	Number of successful animal management prosecutions
Food safety	Health and Safety	Critical and major non-compliance notifications (Percentage of critical and major non-compliance notifications that are followed up by Council)	[Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100

Appendix D - Performance Reporting (continued)



The Performance Statement will also include reporting on prescribed indicators of financial performance as detailed below.

Indicator	Measure	Computation
Operating Position	Adjusted Underlying Result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue
Liquidity	Working Capital	Current assets / current liabilities
Liquidity	Unrestricted Cash	Unrestricted cash / current liabilities
Obligations	Loans and Borrowings	Interest bearing loans and borrowings / rate revenue
Obligations	Loans and Borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue
Obligations	Indebtedness	Non-current liabilities / own source revenue
Obligations	Asset renewal	Asset renewal expenses / depreciation
Stability	Rates Concentration	Rate revenue / adjusted underlying revenue
Stability	Rates Effort	Rate revenue / CIV of rateable properties in the municipality
Efficiency	Expenditure Level	Total expenditure / no. of property assessments
Efficiency	Revenue Level	Residential rate revenue / No. of residential property assessments
Efficiency	Workforce Turnover	No. of permanent staff resignations & terminations / average no. of permanent staff for the financial year

The Performance Statement will also include reporting on prescribed indicators of sustainable capacity, which are not included in this budget report. The full set of prescribed performance indicators are audited each year by the Victorian Auditor General who issues an audit opinion on the Performance Statement. The major initiatives detailed earlier in this document will be reported in the Annual Report in the form of a statement of progress in the report of operations.



Council Office Locations

Customer Service Centres are open Monday to Friday between 8.15am and 4.45pm.

Stawell

Town Hall, Main Street, Stawell Victoria 3380

St Arnaud

Napier Street, St Arnaud Victoria, 3478

Visitor Information Centres

Stawell: Freecall 1800 330 080 St Arnaud: Freecall 1800 014 455 Halls Gap: Freecall 1800 065 599

Emergency After Hours (All Areas)

Phone: (03) 5358 8700

Postal Address

PO Box 580, Stawell Victoria 3380 Phone: (03) 5358 8700

Fax: (03) 5358 4151

Email: ngshire@ngshire.vic.gov.au Website: www.ngshire.vic.gov.au